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**MONDAY SPORTS**  
NFL RESULTS  
See Sports, Page 15

**Herald INTERNATIONAL Tribune**  
Published With The New York Times and The Washington Post

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Greece... 200 D.  
Hong Kong... 100 H.  
India... 100 R.  
Italy... 1.000 L.  
Japan... 100 Y.  
Netherlands... 100 G.  
New Zealand... 100 N.  
Norway... 100 K.  
Portugal... 200 E.  
Spain... 100 P.  
Sweden... 100 K.  
Switzerland... 100 S.  
Taiwan... 100 N.  
Thailand... 100 B.  
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Yugoslavia... 100 D.

No. 32,847 40/88

PARIS, MONDAY, OCTOBER 3, 1988

ESTABLISHED 1887



**OLYMPIC PODIUM**  
**Silver Medal Among the Golden Chains**  
Roy Jones of the United States, right, and Park Si Him of South Korea fought for the light-middleweight gold medal in a bout Jones thoroughly dominated. He outpunched Park, 86-32; Park took a standing eight-count, his knees buckled more than once and he had trouble remaining upright at the end. But Park won the decision, 3-2. Ken Adams, the U.S. coach, said he saw a man offer money to a judge from the bout, but a South Korean official said that what Adams had seen were gold key chains being offered as gifts to officials. Said Jones, later voted by all the judges the tournament's best boxer: "I thought I beat him to the point where I couldn't get robbed. But obviously, I didn't."

**Johnson Picks Up the Pace**  
Ben Johnson has broken his silence on the events that led to his being stripped of his Olympic 100-meter victory. "I have never knowingly taken illegal drugs," he told a Canadian newspaper, "nor have had illegal drugs administered to me." But he hinted that the steroids found in his urine after his victory could have been illicitly fed to him by someone in his entourage.

**Hammer and Tongs**  
Led by the spiking of Steve Timmons and playmaking of Karch Kiraly, the United States beat the Soviet Union for the volleyball gold in, as one U.S. team official put it, "a slugfest—as good as it gets."

**No Empty Hands**  
Athletes from poor nations who had little or nothing to spend on souvenirs while in Seoul did not go home empty-handed. The transportation ministry gave Korean-made wristwatches to 811 athletes and officials from 42 developing countries. A spokesman said the watches were made available to those from countries whose per capita income is less than \$500.

**Openers and Closers**  
At the opening ceremonies, the U.S. team struggled in, frolicking for the television cameras; some even wore Mickey Mouse ears. The IOC told the Americans to clean up their act, but other stunts followed — two swimmers arrested for pilfering a marble lion's head from a hotel bar, a runner arrested for kicking a taxicab. Still, at Sunday's closing ceremonies, some members of the U.S. team marched with great dignity, proudly wearing traditional Korean gowms. All had come to play, but some had stayed to learn.

**A Mostly Fond Adieu to Seoul**

By William E. Geist  
International Herald Tribune  
SEUL — Time to be going now, and everyone is frantically rushing around buying Gucci knockoff luggage to hold all of the knockoff Rolex watches, knockoff Chanel handbags and knockoff Hermès scarves they've been buying for three solid weeks.  
South Korea even makes knockoff gum — Juicy Fresh — and everyone chews it. Otherwise they have kimchi breath, halitosis powerful enough to clean the oven.  
None of us will forget kimchi, the incendiary national dish: pickled cabbage prepared with cruel,

**Kiosk**

**245 Pakistanis Die in Turmoil**

KARACHI, Pakistan (Reuters) — Gunmen killed five people in Hyderabad on Sunday as the death toll from three days of violence in southern Pakistan rose to at least 245, officials said.  
The bloodshed, which began Friday in Hyderabad and spread to Karachi on Saturday, was apparently along ethnic lines, they said. The two cities are the main strongholds of the Mohajirs, a largely middle-class group that migrated to Pakistan with the partition of India at the end of British rule in 1947.

**General News**

View from the Pentagon: Tighter controls on the movement of high tech to the East Bloc. Monday Q&A. Page 2.  
Henry Ford 2d's fortune is in limbo as his descendants squabble over it. Page 3.  
Pieter Botha exulted over prospects for talks with "front-line" states. Page 5.  
Celebs from all parts of the country marched in Santiago at the end of the campaign to defeat Pinochet. Page 7.  
Fashion: Italian shows go for the colors of an Indian summer. Sozy Menkes reports. Page 6.  
Business/Finance: Coffee growers and importers set new output quotas to stabilize prices. Page 9.  
U.S. economic growth slowed last month, a monthly survey of purchasing managers found. Page 9.



**Quayle Diverges From Bush**

By Michael R. Gordon  
New York Times Service  
WASHINGTON — Senator Dan Quayle has outlined a basic difference with the Reagan administration and Vice President George Bush over the content and pace of arms negotiations.  
He says that a Bush administration should reconsider the approach taken by the Reagan administration toward arms talks with the Soviet Union, possibly slowing the pace of the negotiations.  
In an interview Saturday with The New York Times, Mr. Quayle said that the United States should consider making the completion of a treaty on long-range nuclear forces conditional on Soviet concessions in separate negotiations on non-nuclear arms.  
Mr. Quayle said in the interview that his views also differed with the positions taken by Mr. Bush's presidential campaign. But he said he would follow administration policy if he became vice president.

The interview with Mr. Quayle came as the Indiana Republican was preparing for the vice-presidential debate Wednesday that will center on national security issues and other questions of presidential leadership.  
The interview is one of the few Mr. Quayle has granted on policy matters since he was selected as Mr. Bush's running mate.  
The idea of linking talks on conventional arms with negotiations on strategic nuclear forces has been rejected repeatedly by the Reagan administration.  
The administration has said such a move would seriously delay the completion of a new strategic arms treaty.  
President Ronald Reagan said last week that under his approach it may be possible to complete a strategic arms treaty in a year. The Democratic presidential candidate, Governor Michael S. Dukakis, and Senator Lloyd Bentsen, his running mate, have said they would try to complete a treaty as soon as possible without injecting new demands in the talks.  
"The view of the Bush campaign is that we are going to proceed with START, and we want to talk about conventional arms control," Mr. Quayle said.

**Perestroika Irony: Gorbachev Is Elected President**

By Philip Taubman  
New York Times Service  
MOSCOW — The dramatic leadership changes that Mikhail S. Gorbachev engineered underscored a central paradox of his program to reshape the Soviet Union: The more he tries to disperse power, the more he finds it necessary to concentrate power in his own hands.  
As Mr. Gorbachev set impulsively among his Kremlin colleagues Saturday while his name, and only his name, was put into nomination for president, it seemed clearer than ever that the expansion of democracy in the Soviet Union and the amassing of power by Mr. Gorbachev were oddly yet inextricably linked.  
It is a paradox inherent in the Soviet system, which has no tradition of grass-roots democracy and in which policy, and change, have always been dictated from the top and carefully managed from the center.  
By taking over the presidency of the country while remaining as head of the Communist Party, Mr. Gorbachev, if anything, made the center stronger.  
The way he did it — summoning the Central Committee into session on short notice, gaining election as president at a carefully controlled meeting of the national legislature and providing little explanation for the sudden changes — left some Russians wondering whether Mr. Gorbachev's growing power was compatible with his programs.  
Assuming that Mr. Gorbachev is truly dedicated to altering the authoritarian nature of the Soviet system — at the moment it is difficult to tell whether he sees liberalization as an end in itself or simply a means of making the system work better — it will be difficult, at best, to produce greater democracy by command.

**Economy Cited In Soviet Shifts**

WASHINGTON — A Soviet Foreign Ministry spokesman, Gennadi I. Gerasimov, said Sunday that the Kremlin realignments of the previous two days were aimed at speeding economic improvements.  
Mr. Gerasimov said on an ABC News program that the shake-up was simply a change-over to younger leaders sympathetic to the perestroika policy of Mikhail S. Gorbachev.  
"The old guard is stepping down and the new generation is coming in," he said.  
"We want to put our country back on track again," he said. "We want to fill our shops with food and goods, and we want the housing problem to be solved and we want to be a civilized nation."

The actions came after the special session of the Communist Party Central Committee on Friday at which Mr. Gromyko as well as Anatoli F. Dobrynin, a foreign policy adviser, and three other older leaders were retired from the party hierarchy. Yegor K. Ligachev, Mr. Gorbachev's chief rival, lost the important ideology portfolio to a member of Mr. Gorbachev's "brain trust," Vadim A. Medvedev.  
The events of the two days represented a sweeping victory for Mr. Gorbachev over more conservative members of the leadership, like Mr. Ligachev and Mr. Chebrikov, who had battled him on the pace and scope of change. His political position now in the hierarchy could not be much stronger.  
But Mr. Gorbachev, in an effort to turn his plans into palpable results, will now face an even more entrenched form of resistance: the country's huge bureaucracy and decades of work habits that have led to economic stagnation.  
The unanimity and predictability of Saturday's session did not

**Estonians Seek Free Elections**

By Michael A. Dobbs  
Washington Post Service  
TALLINN, Soviet Estonia — A ground-breaking Popular Front of Estonia movement adopted a political program on Sunday that included demands for free elections, constitutional guarantees for private property, an end to compulsory military service and the punishment of those responsible for Stalinist crimes.  
The two-day congress of the Popular Front was the first such gathering in Soviet history to be officially sanctioned by the authorities. It could set a precedent for the official recognition of independent mass movements elsewhere in the Soviet Union.  
The idea of beginning a mass movement to support Mikhail S. Gorbachev's drive for change was first discussed in a television program here in the spring. Since then, the movement has held rallies attended by as many as 300,000 people, the largest political gatherings ever in this Baltic republic of 1.5 million people.  
The congress this weekend stopped short of calling for Estonia's independence from the Soviet Union or an end to Communist rule. But in some respects, the final congress program goes farther than the platform adopted by the independent Solidarity movement in Poland.

**Astronauts Honor Challenger's Dead**

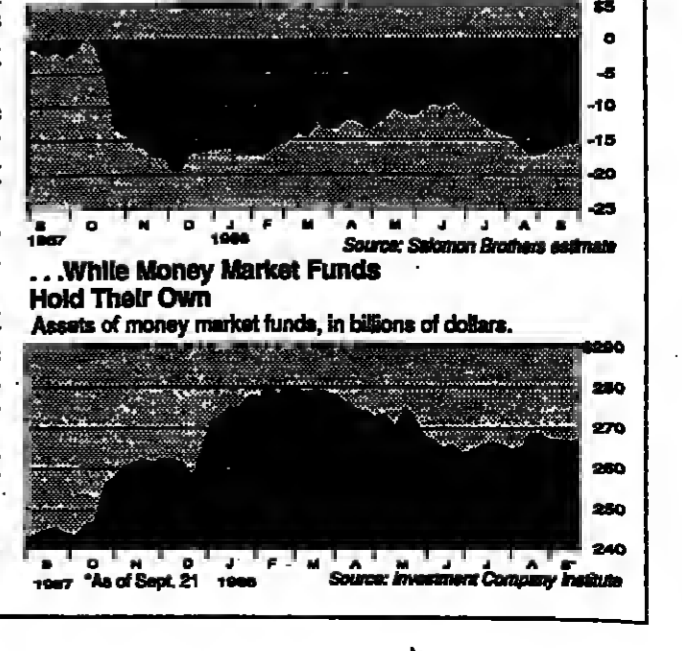
By Cass Peterson  
Washington Post Service  
HOUSTON — With the luminous curve of Earth's horizon as a backdrop, Discovery's crew paid tribute Sunday to their seven fallen colleagues aboard the space shuttle Challenger, whose voyage was so tragically short.  
"With them we shared a common purpose; with them we shared a common goal; the astronauts said in a statement read by turns by Discovery's five-man crew. "At this moment our place in the heavens makes us feel closer to them than ever before."  
It was the first mention of Challenger from the cabin of Discovery, the first shuttle in space since the astronauts perished on Jan. 28, 1986, in an explosion 73 seconds after liftoff. Discovery was in its fourth day in orbit on a mission that has been as free of blizzards as the Challenger flight was tragically flawed.  
Gathered in the orbiter's middeck for the brief, emotional tribute, the crew expressed thanks for their own safety and "reverence, for those whose sacrifice made our journey possible."  
In a somber voice, the flight commander, Captain Frederick H. Hauck, said, "Today, up here where the blue sky turns to black, we can say at long last, 'Dear friends, we have resumed the journey that we promised to continue for you.'"  
"Dear friends, your spirit and your dream are still alive in our hearts."  
In a later news conference from space, the crew acknowledged that there had been moments of fear on the launching pad when Captain Hauck at lift-off said there was "a lot more anxiety" for him this time.  
"I had forgotten what it was like to accelerate at three G's for a sustained period of time," he said, referring to the takeoff speed of three times Earth's gravity.

**Investors Remain Way**

The Exodus Continues... How much cash, in billions of dollars, has been taken out of the New York Stock Exchange since the Aug. 25, 1987, peak of the Dow Jones industrial average.  
The flight of individuals and institutions puts the stock market, more than ever, in the hands of those who use it to implement elaborate computer programs designed to profit from split-second price disparities.  
See MARKET, Page 13

**Taking Stock a Year Later: Market Down, Not Out**

By Sarah Bartlett  
New York Times Service  
NEW YORK — On Oct. 19, 1987, the New York stock market collapsed, sending markets around the world plunging the next day. Even before anyone could add up all the losses, forecasts of global recession, and worse, filled the air.  
Nearly a year later, almost none of the predicted calamities have come to pass.  
But one place where had dreams did come true was Wall Street: the rout precipitated a crisis of confidence that has fed a persistent malaise in the markets.  
More important, fundamental changes on Wall Street, under way before the collapse but accelerated by it, have considerably diminished the importance of the market in the larger economic life of the United States.  
"The blatant lesson of the avalanche was that the strategies operating in the markets today are foreign to the traditional investor," said Robert S. Salomon Jr., co-director of equity research at Salomon Brothers. "This calls into question the role of the capital markets in a mature economy."  
The extraordinary bull market that began in 1982 masked many of the currents that were transforming the financial arena. It was only in the wake of the plunge, when many investors fled the market, that some of these trends became more visible.  
One of the most striking changes has been in the nature of market participation. Accelerating a trend that had already begun, the collapse drove out many individual investors.  
What has been more apparent since then is the extent to which many large institutional investors like pension funds and professional money managers are seeking investment alternatives.  
"With all these futures and options and this and that, we're uncomfortable with the stock market," said Edward V. Regan, the comptroller of New York state, who oversees a \$37 billion state pension fund. He says he stopped buying stocks in April 1987.  
Institutional investors once prized the stock market for the liquidity it provided, which allowed them to move large amounts of money with relative ease. But the market's plunge has caused many to re-evaluate their needs. Increasingly, they are putting their money into less liquid investments like venture capital, leveraged buy-outs and real estate.  
"There's been a trend under way for a while away from stocks and bonds and into somewhat less traditional and less liquid investments," said David P. Feldman, a corporate vice president of American Telephone & Telegraph Co. who manages the company's \$30 billion pension fund.  
Although Mr. Feldman is leaving funds already allocated to the stock market in place, he is shifting new money into real estate, leveraged buy-outs and venture capital. About 15 percent of his portfolio is now in those areas, up from about 11 percent a year ago and 5 percent in 1980.  
Alan Patrick, who runs Alan Patrick Associates Inc., a venture capital firm in New York, finds money managers much more willing to consider investing in new companies. "One year later, we're seeing shifting attitudes about liquidity and illiquidity," he said.  
A significant shift in the way corporations raise capital has also affected the stock market. Traditionally, when companies wanted





# Assembly Dissolved In Canada

## Election to Focus On U.S. Trade

By Herbert H. Denton  
Washington Post Service  
TORONTO — Prime Minister Brian Mulroney has dissolved Parliament and scheduled an election, on Nov. 21, that is certain to be a national referendum on the free trade accord he has negotiated with the United States.

The last time a Canadian government took a trade pact to the voters, in 1911, it was bounced out of office by opponents who campaigned on the slogan "No Trade or Trade with the Yankees." It was clear on Saturday that Canada's tough relations with the United States would be the central theme in this campaign.

Over a 10-year period, the accord will eliminate all tariffs and lower barriers to investment and other restrictions on trade in energy, agriculture and services between the countries. About \$165 billion in trade flows each year between the two countries, the world's biggest trading partners.

In opening the opposition campaign, the Liberal Party leader, John Turner, said the election was "as important an event as this country has had in our history" because it involved Mr. Mulroney's plan to turn Canada into a "colony of the United States."

Both Mr. Turner and Edward Broadbent, the leader of another Canadian national party, the New Democratic Party, have vowed to abrogate the trade accord if they win power.

Unless Mr. Mulroney wins a parliamentary majority, he may have to scrap the pact. Although he can govern with a plurality of seats, the opposition parties would probably not allow him to do so unless he abrogated the agreement.

Mr. Mulroney appeared confident in Ottawa after Governor-General Jenkin Campbell, the titular head of state, dissolved Parliament. The popularity of the prime minister's Progressive Conservative Party is rising in the polls, and the economy is booming.

Declaring that the key issue would be which party could "best manage change in the years ahead," Mr. Mulroney indicated that he was prepared to make a strong defense of the trade agreement. Appealing to Canadian pride, he said the pact was part of his "agenda of confidence" for the country.

Although bookmakers give Mr. Mulroney a slight edge to win a majority in Parliament, the outcome is far from certain. The Conservatives have a large reserve of campaign funds and are united, unlike the bickering Liberals. But polls suggest that the electorate is not very enthusiastic about its choices.

Canadian voters are ambivalent about the trade pact. Most entrepreneurs favor the agreement, seeing it both as insurance against trade sanctions by protectionists in the U.S. Congress and as an opportunity to expand into U.S. markets.

But opinion surveys indicate that many people are confused about the long-term effects of the accord.

# As a Fortune Languishes, Ford Family Bickers Over Control



Henry Ford II

By Jeffrey Schmalz  
New York Times Service

WEST PALM BEACH, Florida — So determined was Henry Ford II to exert influence from the grave that he left instructions on what emotions his friends and family should feel at his funeral.

"There should be music," the grandson of the founder of the automobile company directed in his will, "and the warmth of fellowship and, in this connection, a black jazz band playing 'When the Saints Go Marching In' for a recessional, for I do not wish to be remembered only in a solemn fashion."

Mr. Ford got his jazz band. But he was not able to achieve his most important goal, the orderly distribution of his \$350 million estate. A year after he died at the age of 70, his family is caught up in a bitter power struggle over one of the legendary fortunes in the United States.

His widow, Kathleen DeRoss Ford, accuses her stepson, Edsel Ford II, of plotting against her to block her proper share of the money. The son accuses his stepmother of being a spendthrift whose extravagances are depleting the legacy intended for Henry Ford II's grandchildren.

Court papers depict a Ford trust fund virtually paralyzed by the fighting. About \$25 million from the sale of a private plane and yacht, for example, has sat for months in a bank account because the family cannot decide how to invest it.

While the larger decisions are unmade, bickering over petty ones goes on at length. And between the lines of the legalese of court papers, the hostility of Ford family members toward one another comes through.

"Mr. Ford stated he was not satisfied with the allocation of expenses," read the minutes of the

May 26 meeting of the estate's trustees, referring to Edsel, who contended that his stepmother should spend more of her own money and less of the trust's.

"He cited the example of certain 'terry cloth furniture covers.' He thought they should be paid for exclusively from Mrs. Ford's income."

"Mrs. Ford disagreed inasmuch as the covers had been made to cover existing furniture which had deteriorated to the point where it was necessary to re-cover them."

The discord started in April with the death of Martin Citrin, who, along with Mrs. Ford and Edsel Ford, had been named by Henry Ford II as a trustee of a \$325 million trust fund. Henry Ford II had stipulated that if one of the trustees died, then William Donaldson, a Manhattan investment banker, was to fill the vacancy.

Mrs. Ford said Mr. Donaldson had demanded \$1 million a year for his services, a figure she called exorbitant. She demanded his removal.

But behind the dispute over Mr. Donaldson's fee lies a bigger, long-simmering feud. Mrs. Ford, 48, a former model who is the daughter of a blue-collar Chrysler worker, was Henry Ford II's third wife. She has never been on good terms with the Ford children — Edsel, Ann and Charlotte.

The children, all from their father's first marriage, to Anne McDonnell, were fond of his second wife, Cristina, and did not attend his wedding to Kathleen.

Mr. Donaldson is close to the children, particularly Edsel Ford, and Mrs. Ford's lawyers say they fear those two might unite to use their majority vote on the trust against her. "A cabal," one of Mrs. Ford's lawyers, F. Gregory Barnhart, called it.

Under the trust provisions, Mrs. Ford is entitled to a minimum of \$1.5 million a year but can be given more if the trustees agree. She is the only person entitled to income from the fund, which controls 10 percent of the voting stock in the Ford Motor Co. Upon her death, the principal is to be distributed equally among all the grandchildren, who now number six.

Mrs. Ford's lawyers portray Edsel Ford, 39, as a man shut out of his father's inheritance who is bent on hurting his stepmother and on seizing the fund as a way of increasing his power at Ford Motor. Mrs. Ford says Mr. Donaldson told her that if the court upheld his role as a trustee, he and Edsel Ford could punish her for her opposition by seeing to it that she was limited to her minimum of \$1.5 million a year.

Mr. Donaldson asserts that no threat was made.

# Court Faults U.S. Atom Plant Kept Accidents a Secret

## The FBI on Minorities

By Keith Schneider  
New York Times Service

WASHINGTON — The Savannah River Plant in South Carolina, an enormous government complex that produces fuel for the nation's nuclear weapons, has experienced numerous reactor accidents that have been kept secret from the public for as long as 31 years, two congressional committees disclosed.

The Energy Department responded to the disclosure by saying it had been unaware of the accidents, which occurred at all five of Savannah River's reactors, until inspectors began investigating a still unexplained power surge at one of them in August.

It is unclear whether the department's predecessor agency, the Atomic Energy Commission, knew of the accidents, which included the melting of fuel and one episode that resulted in extensive radioactive contamination.

The operator of the plant, the Delaware-based E. I. du Pont de Nemours & Co., had no comment when asked whether it had notified anyone in the government of the accidents or the existence of a 1985 memorandum, obtained by the congressional committees, that brought them to light.

The most severe accident occurred on January 12, 1960, when technicians were trying to restart the L reactor after it had shut down automatically. By pulling safety rods and control rods, technicians were able to achieve a chain reac-

tion that very nearly went out of control, said nuclear experts.

Physicists interviewed Friday called the accidents among the most severe ever documented at a U.S. nuclear plant. The 19-page memo, written by a plant supervisor and his superiors at Du Pont, did not say whether there had been any injuries or how many workers might have been exposed to dangerous levels of radiation.

But nuclear experts said some of the accidents could have threatened public health or, had they gone uncontrolled, even destroyed the reactors, creating a disaster.

The incident in August and the memo raise new questions about the willingness of the Energy Department to correct long-standing managerial and structural problems at the aging plant.

With the shutdown of a production reactor in Hanford, Washington, two years ago, the Savannah River facility is now the nation's only source of plutonium and tritium.

Last year a panel of investigators from the National Academy of Sciences criticized the Energy Department for failing to apply or even clearly specify safety requirements at Hanford and Savannah River.

Hanford and Savannah River, near Aiken, operated for years in secret and were essentially self-regulated. While the government maintained regional offices at each plant, it left to the operators the responsibility for maintaining safe operations. Last year the Energy Department began an on-site inspection program in an effort to improve operations.

By contrast, the Nuclear Regulatory Commission has long imposed stringent regulations on operations at civilian nuclear reactors.

The 1985 memo, and several more recent ones written by Energy Department inspectors, describe a striking complacency at the Savannah River Plant.

Among the accidents summarized in the 1985 memo were a

melting of fuel rods in the C Reactor in December 1970. The accident occurred when, during an attempt by technicians to start the chain reaction inside the reactor, it automatically shut down.

Instead of investigating the cause of the shutdown, the operators tried three more times, without success, to start the reactor. The heat generated during the attempts melted the fuel assembly.

An accident in November 1970 released huge amounts of radiation in a room, adjacent to the K Reactor, where cooling water is filtered. A total of 900 workers spent three months in a highly contaminated environment cleaning up the radiation, the memo said.

During full power operation of the C Reactor on May 10, 1965, a "very significant leak" developed that spilled 2,100 gallons (8,000 liters) of cooling water on the reactor vessel floor. The level of cooling water within the reactor fell precipitously, but the reactor automatically shut down, the memo said.

# Panama Seizing Assets Of Deposed President

The Associated Press

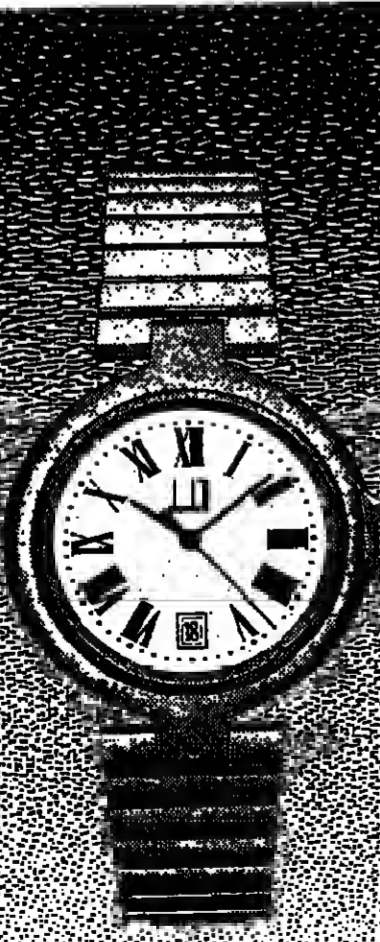
PANAMA CITY — The government has begun seizing the assets of Eric Arturo Delvalle, the deposed president, the judge in charge of the confiscation said Saturday.

The judge, Lorenzo Parker Dupuy, said the Treasury Department issued the order after Mr. Delvalle was formally accused of acts "harmful to the people of Panama," including asking the United States to freeze \$54 million that the National Bank of Panama had on deposit in U.S. banks. The freeze coincided with an unsuccessful drive in the spring to force General Manuel Antonio Noriega, the nation's de facto ruler, to resign.

The ruling, in a class-action suit joined by 310 current or former Hispanic FBI agents, represents a severe blow for the FBI. The bureau is also being sued by a black agent who claims that fellow agents harassed him because of his race.

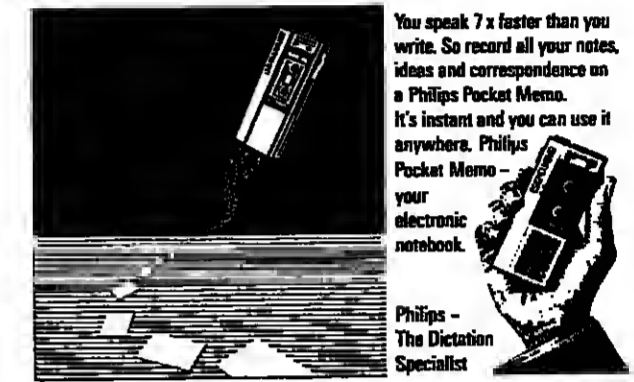
The FBI director, William S. Sessions, Judge Bunton's colleague in the Texas court before being named to head the FBI in November, said he was "disappointed" by the ruling.

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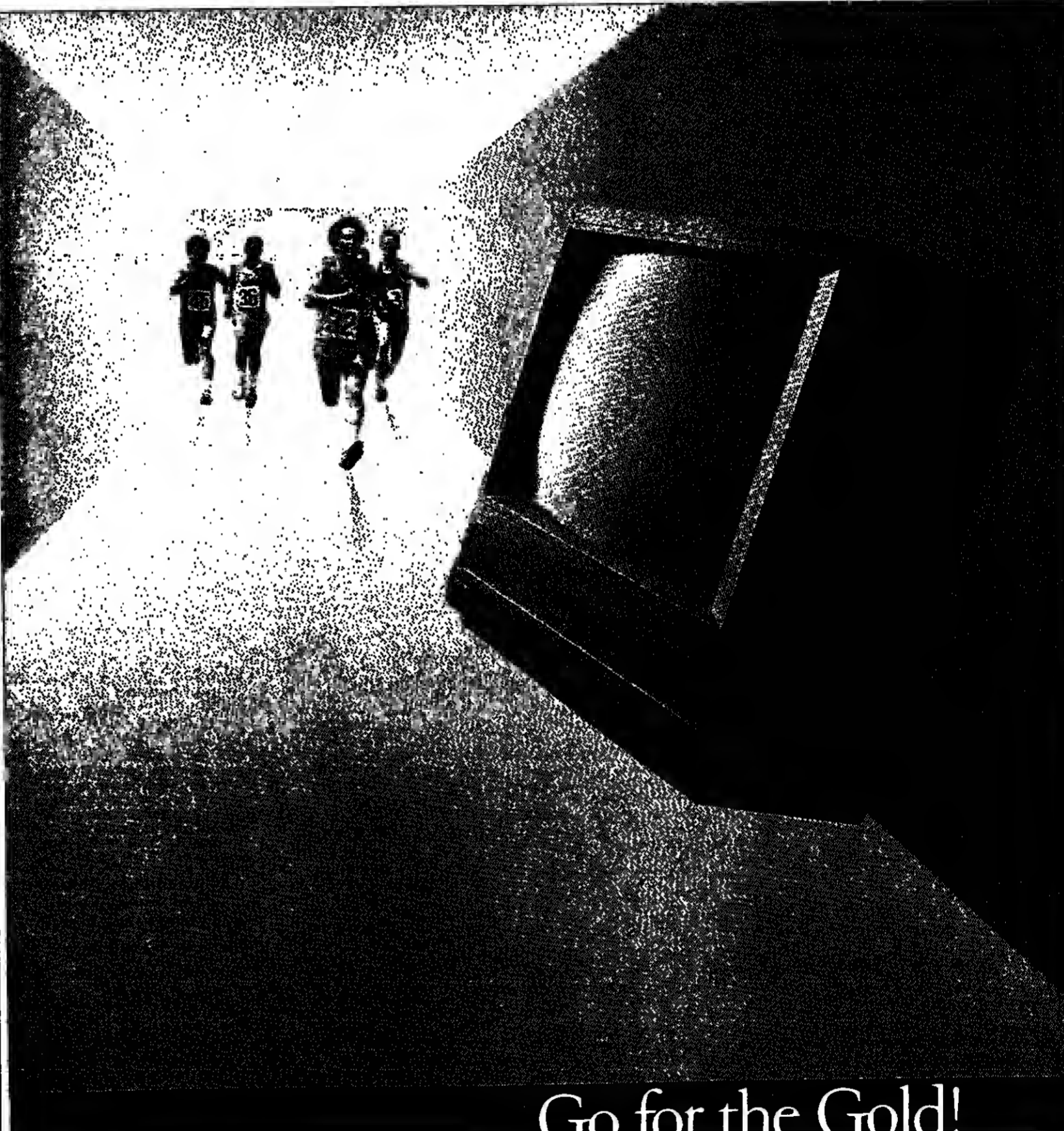
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OPINION

INTERNATIONAL Herald Tribune

Get Serious on Debt

The Third World debt crisis is six years old. The debt has grown by half. Many of the debtor countries are in desperate shape...

Out of Gorbachev's Way

Boris Yeltsin is the Soviet politician who was fired for being too ardent a supporter of Mikhail Gorbachev. Speaking last spring of Yegor Ligachev, then the number two man in the Politburo...

Son of Star Wars?

Lieutenant General James Abrahamson resigned last week as head of the "star wars" program because deployment of a comprehensive space-based missile shield by the late 1990s is an idea whose time has passed...

Other Comment

Much Ado About Steroids The Olympic "movement" is not a crusade. It is an international lobby with a self-perpetuating constitution, a yearning for cash and a limitless capacity for ethical compromise...

Bases: Spain Has Led the Way to the Brink

By Jim Hoagland

MADRID — Spain and the United States ended a bruising diplomatic confrontation last week by announcing a new agreement to keep U.S. military bases in Spain for eight more years...

need to demonstrate that Spanish-U.S. relations were on a different footing under Mr. González's Socialist government. A broad agreement on the other bases was expected to follow quickly...

A Civil Casualty of the Military Deal?

AMONG the likely casualties of the new military deal is discontinuation of funds for the U.S.-Spanish Joint Committee for Cultural and Economic Cooperation...

for the United States to keep any military forces in Spain if an agreement were not signed soon. Madrid held out a carrot as well as that stick...

It has provided funds that made possible a Joan Miró exhibition at the Guggenheim Museum in New York, a tour of Spain by the American Repertory Theater...

Manila Shouldn't Expect More Than a Fair Price

By Frederick Z. Brown

WASHINGTON — Nobody in Manila or Washington expected this year's review of the U.S.-Philippine military bases agreement to proceed smoothly...

Philippine position that Clark and Subic serve only U.S. strategic interests and that the Philippines has no external security concerns. There are contentious issues in addition to monetary compensation...

grams, Congress must appropriate funds for both. The MAI is critical to sustaining economic recovery in the Philippines and building a solid platform for growth and eventual prosperity...

When the Emperor Came to Visit MacArthur

By Fabian Bowers

NEW YORK — In September 1945, the occupation of Japan was less than a month old. Douglas MacArthur had made no advance toward meeting Emperor Hirohito...

One day Hirohito will look down and see that he fulfilled the destiny of his throne. General MacArthur asked me to ask the emperor if he had brought an interpreter whom he would prefer to me...

"dignity in defeat" flickered through my thoughts then, as it does now. A couple of days later, Emperor Nagato sent Mrs. MacArthur a bouquet of spider chrysanthemums and tiger lilies...

Britain: Ideologies Wear Out

By Flora Lewis

LONDON — There have been some important and probably lasting changes in British society since Margaret Thatcher became Britain's first woman prime minister in 1979...

There are misgivings here about Thatcherite Britain, as everybody else calls it. Some complain about the decline of old civility and the use of pointed elbows...

The writer, a senior associate at the Carnegie Endowment for International Peace, was a professional staff member for East Asia and the Pacific of the U.S. Senate's Foreign Relations Committee from 1984 to 1987...

100, 75 AND 50 YEARS AGO

1888: Russia to Advance PARIS — Everything indicates that Russia is getting ready for more startling advances in Central Asia. The expedition of General Przhevalsky... 1938: Toscanini's Woes MILAN — Signor Arturo Toscanini, world-famous conductor and outspoken critic of Fascism... 1913: Diesel Enigma LONDON — Dr. Paul, the secretary of the Diesel Company, stated yesterday that Dr. Rudolf Diesel, the inventor of the Diesel engine...

INTERNATIONAL HERALD TRIBUNE JOHN HAY WHITNEY, Chairman 1988-1992 KATHARINE GRAHAM, WILLIAM S. PALEY, ARTHUR OCHS SULZBERGER Co-Chairmen

AMERICAN TOPICS Studies Play... Tatchell's... Other...



October 1988 The Hon. John... Professor... OCTOBER 1988

# In New Term, U.S. High Court May Steer to Right

By Al Kamen

WASHINGTON — The U.S. Supreme Court will open its new term on Monday with cases in which a slim conservative majority could coalesce to steer the court decisively to the right on several volatile issues, including race and sex discrimination, affirmative action, mandatory drug testing and the death penalty.

Civil rights groups say they fear rulings during this term will make it more difficult to prove and remedy discrimination and will weaken the rights of criminal suspects.

Conservatives say they are not certain that the opportunity they have long sought to dominate the court has arrived. One more solid conservative vote might be needed for that, most observers feel. But they say they are certain the court will issue rulings that, although not landmarks individually, will add up to deep change.

The keys to the court's direction

rest with Justices Sandra Day O'Connor and Anthony M. Kennedy.

Justice O'Connor, known as a moderate conservative, will most likely cast the deciding vote in many of the most closely watched cases, including those involving civil rights and whether the death penalty can be imposed on minors or the retarded.

Last term, she appeared to move more closely to the conservative camp when the decisions were close.

Most observers predict he will continue where he left off, sticking to a philosophy somewhere between Justice O'Connor and Justice Rehnquist, Scalia and White. His views in several areas, including affirmative action and civil rights, are unknown.

A key test, both for Justice Kennedy and for the court, will be the case of Patterson v. McLean Credit Union. In April the court, with Justices Kennedy and O'Connor in the majority, voted by 5 to 4 to reconsider a 1976 Supreme Court decision that a post-Civil War civil rights law barred discrimination by private individuals.

The move stunned civil rights campaigners because the court acted on its own initiative. Neither side had suggested that the court review a landmark 1976 case, Runyon v. McCrary, which declared "whites only" private schools were illegal.

The Patterson case is far more important symbolically than practically. If the court overturns Runyon v. McCrary, civil rights groups say they are confident the ruling would be nullified promptly by Congress in a new law. One-third of the House and two-thirds of the Senate have urged the court not to overturn Runyon v. McCrary.

But overturning Runyon v. McCrary would send a clear signal that a conservative majority is willing to reach out to overturn past liberal victories.

Overturing Runyon v. McCrary, according to Charles J. Cooper, a former senior official in the Justice Department, would suggest that a majority of the court is "more interested in getting the law right than in getting it consistent, if consistency means perpetuating error."

If the court is willing to overturn previous rulings involving interpretations of statutes, Mr. Cooper said, "then one can reasonably predict that it will be easier for them to do so in cases involving constitutional claims" where adherence to precedent is generally given less weight. The most vulnerable constitutional rulings include the court's decisions on the constitutional right to abortion and striking down federal aid to religious schools.

Even if the court does not overturn the Runyon case, it may use the Patterson case, which involves a credit union employee who sued her bosses for racial harassment, to cut back on the scope of the civil rights law.

A second much-noted case, City of Richmond v. J. A. Croson Co., involves a voluntary minority business set-aside program. A federal appeals court in Richmond ruled that the city's 30 percent set-aside for construction contracts was unconstitutional "reverse discrimination" because there was no proof the city or the industry had discriminated and the 30 percent fig-

ure was not justified even though the city is 50 percent black.

Civil rights groups appealed, arguing that the ruling, if allowed to stand, would jeopardize similar programs in 36 states and 190 localities. The court's ruling will also determine the ability of local and state governments to adopt affirmative-action programs.

Several other employment discrimination cases, though they involve highly technical and legally complex interpretations of Title VII of the Civil Rights Act of 1964, are likely to prove far more important in the long run than either the Patterson or Richmond cases.

In one, Antonio v. Wards Cove Packing Co., American Indian and Filipino workers in several Alaskan fish canneries challenged employment practices that they said left most minorities in low-paying jobs and whites in higher-paying jobs.

The issue is how much evidence plaintiffs need in cases where statistics show that seemingly neutral employer practices adversely affect minorities. The court split, 4 to 4, last term on this question, and Justice Kennedy is expected to cast the deciding vote. If, as anticipated, he joins a conservative quartet led by Justice O'Connor last term, it will be much more difficult for plaintiffs to prove discrimination.

Individually, none of the cases will have a sweeping impact. Taken together, they give the court "ample opportunity to chip away at Title VII and narrow affirmative action," said Marsha Lewis, executive director of the National Organization for Women's Legal Defense and Education Fund.



Mobutu Sese Seko welcoming Pieter W. Botha to his hometown, Gbadolite, north of Kinshasa.

## After Meeting Mobutu, Botha Sees Hope for Talks With 'Front-Liners'

William Claiborne

WASHINGTON POST SERVICE

GBADOLITE, Zaire — President Pieter W. Botha of South Africa went to the heart of black-ruled Africa over the weekend in an effort to break his country's worldwide isolation. He came away exultant in the belief that Pretoria's most hostile enemies in southern Africa are on the verge of becoming its closest allies.

After spending six hours with President Mobutu Sese Seko of Zaire in Mr. Botha's birthplace here, Mr. Botha said Pretoria was moving closer to convening a regional conference that would include all of the black "front-line" states opposed to South Africa because of apartheid.

"A southern African regional conference, that is the next step," Mr. Botha said with a broad smile shortly after boarding a South African jetliner for his trip home.

"Africa is talking to South Africa," an uncharacteristically ebullient Mr. Botha declared, referring to his third visit in three weeks to an African head of government.

"We are going to other African countries as well, where we will be busy this year and next year," Mr. Botha said as he stalked the aisles of his jet.

To Mr. Botha, the meetings are South Africa's biggest breakthrough since the end of its apartheid policies of racial separation.

The Pretoria delegation is convinced that it is gaining diplomatic momentum on eradicating its sta-

tus as a pariah in Africa, and that it is marshaling influential black African leaders behind a peaceful resolution to the war in Angola and the question of independence for South-West Africa, also known as Namibia.

For years, South Africa has been supporting guerrillas fighting the Angolan government. At the same time, it has long administered Namibia in defiance of United Nations resolutions. Peace talks that began in May have led to the outline of an accord under which Cuban troops in Angola would withdraw over a two-year period, as well as steps toward carrying out independence for Namibia.

The conditions of Nelson Mandela's imprisonment also came up in the talks with Mr. Botha. In a telephone interview after his meeting with Mr. Botha, Mr. Mobutu told the Washington Post foreign editor, William Drozdzial, that Mr. Botha also vowed to free the imprisoned African National Congress leader as soon as Mr. Mandela recovers from tuberculosis.

"I obtained from Botha a firm commitment that Mandela will soon be freed without any conditions, that he will be allowed to return to his home without any constraints," Mr. Mobutu said from in Gbadolite, 620 miles (1,000 kilometers) north of Kinshasa, Zaire's capital.

But on Sunday, the South African government denied that Mr. Botha had agreed to free Mr. Mandela.

A statement issued by the two

leaders said only that Mr. Botha had been flexible about the question of releasing Mr. Mandela and that this flexibility had been a "source of encouragement" to Zaire.

On the flight home, Mr. Botha gave no indication that he had gone further than the statement.

The statement also said that Mr. Botha would examine the appeals for clemency of six blacks sentenced to death for the murder in 1984 of a Sharpeville Town Council member, but only after the judicial process had been completed.

The trip to Zaire matched in importance Mr. Botha's visit on Sept. 12 to Mozambique, where he pledged a new relationship with President Joaquim Chissano.

Zaire, the eighth lowest per capita income in the world, has maintained extensive low-profile economic and military links with South Africa, but, like most front-line states, it has publicly distanced itself from South Africa.

It has become clear in recent weeks that African states are becoming more open in their associations with Pretoria.

Plans for a regional summit meeting, disclosed Saturday by Mr. Mobutu and scheduled for Thursday in Lusaka, Zambia, were seen as another indication of that trend.

The regional meeting will include South Africa. It is to bring together the heads of government of Zambia, Zaire, Angola, Congo and Gabon, with officials of Mali, Ivory Coast and Nigeria as observers.

## AMERICAN TOPICS

### Studies Play Down

#### 'Latchkey' Hazards

"Latchkey children," who come home from school to an empty house, are not necessarily worse off than others, recent studies suggest. The New York Times says the studies indicate that any potential ill effect on the child's social, emotional and academic well-being can be offset if the child knows a parent is monitoring his after-school time and if the parent is readily available by telephone.

"The issue is not so much if someone is there when a child gets home from school as whether someone is there psychologically for the child," said Jay Berkley, a professor of human development at Pennsylvania State University. "Does he have someone to call and ask if he needs something, or do the parents come home and really care what the child did after school? The psychological connection is more important than the physical one."

Concerns over children who are on their own after school gained national attention in 1983 with publication of "The Handbook for Latchkey Children and Their Parents." It asserted that such children were more lonely and fearful than other children. Other studies since then, however,

er, have failed to find major differences between latchkey children and others.

### Short Takes

Yellowstone National Park, making the best of fires that scorched half its 2.2 million acres (990 thousand hectares) last summer, is billing itself to tourists as a sort of Mount Saint Helens with geysers, promoting its charred forests as "nature's laboratory," a place to watch the world remake itself. Mount Saint Helens was seldom visited until it erupted in 1980. Now, the Washington State Tourism office says it has become a leading attraction.

U.S. banks, airlines and other places where people have to wait in line have long used the feeder line, where everyone waits in a single line for several tellers or clerks. The first person in line goes to the next available server, and nobody gets stuck behind the person who has to wait 8,000 pennies counted. The New York Times says that Chemical Bank, in the mid-1960s, may have been the first bank to abolish separate lines for each teller and adopt the feeder line. At the time, American Airlines had its headquarters near a Chemical branch. The airline's executives used the bank-like single-line concept and copied it at their airport counters. Other airlines then copied American.

Shorter Takes: Radio Marti, the U.S. Information Agency station that broadcasts to Cuba, may soon be joined by TV Marti. A joint report by the U.S. Senate

and House of Representatives has instructed USA to conduct a 90-day antenna test in Florida.

The U.S. Department of Justice has announced plans to spend more than \$95 million in assets forfeited by drug traffickers and organized crime figures on building more federal prison space to house them.

### Notes About People

Senator Orrin G. Hatch, a conservative Utah Republican, is helping Muhammad Ali in his lawsuit against the U.S. government for \$50 million damages. The former heavyweight champion says he suffered when denied status as a conscientious objector to the Vietnam War and stripped of his title from 1967 to 1970, when he was exonerated by the U.S. Supreme Court. Senator Hatch said he filed a bill that would allow Mr. Ali and others to sue the United States, even if the statute of limitations has expired, in cases where the government concedes error.

Esther Williams, the U.S. swimming champion who starred in aquatic films in the 1940s and 50s, has come out with her own line of swimwear, more modest and classic than current models. The Washington Post reports, Miss Williams, 65, has never liked scanty swimwear. "Why they come off in the water," she once remarked. "If you can't swim in them, what good are they?"

Arthur Higbee

## U.S. and 100 Others Agree On Curbing Drug Traffic

New York Times Service

WASHINGTON — The United States and more than 100 other countries have negotiated a treaty that would greatly increase international cooperation in the effort to curb narcotics trafficking.

A confidential draft of the agreement shows that nations would be required to outlaw money laundering. In addition, they would have to pass laws enabling them to confiscate the proceeds of drug smuggling, as well as property used by smugglers.

The treaty would prohibit governments from invoking bank secrecy when law enforcement agencies in another country sought financial records of suspected traffickers.

It would also require countries to keep detailed records of the manufacture, use, import and export of chemicals used in the production of illicit drugs, so that officials could identify "suspicious transactions."

The drafting of the treaty began in February 1985, in response to a request from the United Nations General Assembly after a suggestion by Venezuela. Negotiators have agreed on almost all the major provisions, and the document is expected to be completed at a meeting in November and December.

## 4 Dead as Storm Hits Southern Spain Coast

The Associated Press

MALAGA, Spain — Heavy rain in Malaga Province over the weekend, killed four persons, officials said. Five others were missing.

Heavy rainfall flooded roads and knocked out electricity and telephone services in about ten towns of in the southern coastal province. Several roads and trains were cut off because of the rain. The National Weather Service advised against using rural roads.

# OIL & MONEY

## THE SEARCH FOR STABILITY

THE NINTH ANNUAL INTERNATIONAL HERALD TRIBUNE / OIL DAILY CONFERENCE, LONDON, OCTOBER 13-14, 1988

Is the petroleum industry entering a period of stability enhanced by the new ceasefire? How will the prospect of peace in the Gulf affect price trends? How will OPEC's role and influence develop in the short term?

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Senior executives wishing to attend the conference should complete and mail the registration form today.

### OCTOBER 13

- KEYNOTE ADDRESS: Professor Dr. Subroto, Secretary General, OPEC.
- THE WORLD OIL MARKET: WILL THE PRICES IN THE 1990'S RETURN TO THE LEVELS OF THE LATE 1970'S? Nordine Ali Laoussine, President, National Chemicals, Algeria; Herman T. Fossheim, Executive Advisor of H.E. The Minister of Petroleum and Mineral Resources, The Sultanate of Oman; Moderator: John H. Lichtblau, President, Petroleum Industry Research Foundation, New York.
- STRATEGIES FOR THE MAJORS IN THE EARLY 1990'S: The U.S. Perspective: Allen E. Murray, Chairman, Mobil Corporation, New York; The European Perspective: Louis Dery, Executive Vice-President, Total Cie Francaise des Petroles, Paris.
- BREAKOUT GROUPS: THE CHALLENGE TO OIL EXPORTERS AND THE OIL SERVICES SECTOR: Delegates select one of the following breakout groups:
  - Structural Change: Oil Demand Trends in Industrial and Developing Countries. Lee Schipper, Head, International Studies, Lawrence Berkeley Laboratories, California.
  - Fuel Substitution: The Future role of Natural Gas. Ton Groeters, Managing Director, NV, Nederlandse Gasunie, Groningen; George H. Lawrence, President, American Gas Association, Arlington, VA.
  - How the Oil Service Industry will Respond to 1990's Needs. C. Robert Palmer, Chairman and Managing Director, John Wood Group plc, Aberdeen.

### OCTOBER 14

- U.S. ENERGY OUTLOOK: The Honorable John S. Herrington, Energy Secretary, United States.
  - THE WORLD ECONOMY: POST REAGAN: Minas Zombanakis, Chairman, Citra International Holdings, London.
  - OIL TRADING AND TRADERS: THE NEXT FIVE YEARS: Peter Gignoux, Director, International Energy Dept; Shearson, Lehman Hutton Inc., London; Rosemary T. McFadden, President, New York Mercantile Exchange, New York.
  - Philip K. Verleger, Visiting Fellow, International Institute for International Economics, Washington D.C.
  - OPEC'S INFLUENCE ON OIL COMPANY STRATEGY: Humphrey Harrison, Director, Energy Research, Klorer Arken & Co. London.
  - Charles T. Maxwell, Senior Energy Strategist, C.J. Lawrence, Morgan Grenfell Inc., New York.
  - SECURITY IN THE GULF: CAN THE WEST RELY ON MIDDLE EAST SUPPLIES? James E. Alden, Political and Economic Consultant, Washington D.C.
  - MINISTERS' PRESENTATIONS AND DISCUSSION: H.E. Rilwanu Lukman, Minister of Petroleum Resources, Nigeria and President, The OPEC Conference; H.E. Abd al Hadi Muhammad Kandil, Minister of Petroleum and Mineral Resources, Egypt; H.E. Sheik Man al Oteiba, Minister of Oil, United Arab Emirates.
  - Close of Conference.
- Please note that the above order of speakers will be subject to modification.

THE OIL DAILY Herald Tribune

### REGISTRATION INFORMATION

The fee is £595 (plus VAT at 15% £89.25) for the equivalent in a convertible currency for each participant on or before September 26. The fee postmarked on or before September 26. The fee thereafter will be £650 (plus VAT at 15% £97.50). This includes lunches, a cocktail reception and a conference dinner. Fees are payable in advance of the conference and will be returned in advance of the conference (plus any less a \$3 administration charge) for any cancellations that is postmarked on or before October 3. Cancellations with a postmark dated after than October 3 will be charged the full fee. Substitutions may be made at any time.

The sponsors reserve the right to amend the program if necessary.

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### CONFERENCE LOCATION

Inter Continental Hotel, One Hamilton Place, Hyde Park Corner, London W1V 0QY. Tel: (44) 409 3131, Telex: 25853 Fax: (44) 493 3476. A limited number of rooms has been reserved for participants at preferential rates. Reservations must be received by September 26. Please contact the hotel directly.

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TELEPHONE: \_\_\_\_\_ TELE: \_\_\_\_\_ 3-10-88





# Chilean Crowds Call for 'No' to Pinochet

By Shirley Christian  
New York Times Service

SANTIAGO — Opponents of General Augusto Pinochet concluded their campaign to defeat him in the presidential plebiscite this week with a huge rally that brought people from the farthest corners of the country.

The crowd that marched Saturday to the rally site in southwest Santiago appeared to be in the hundreds of thousands.

Popular singers, music groups and actors, many of them recently returned from exile, provided entertainment. The crowd waved banners, cheered and sang from the vast collection of songs written for the anti-Pinochet campaign, among them "Chile Says No," "The Imperial Waltz of the No," and "Happiness Is a Rainbow."

The rainbow is the symbol of the Command for the No, the coalition of 16 political parties that directs the opposition effort. In addition to the dominant Christian Democrats, the command includes some smaller centrist parties, and three factions of Socialists and other left-of-center groups.

[Thousands of cars and trucks paraded through Santiago on Sunday in a show of support for General Pinochet, Reuters reported. With their horns blaring to the rhythm, the Pinochet supporters chanted, "Chile is and will ever be, a country of liberty," on the last day of legally permitted campaigning for the plebiscite.]

The police, which had authorized the rally, kept their presence to a minimum. They devoted most of their efforts to trying to direct traffic on the streets surrounding the area.

The opposition says it is confident of victory by a large margin when Chileans vote Wednesday on whether to give General Pinochet a new eight-year term as president. They will be asked to vote either yes or no.

If he fails to get a majority, General Pinochet is required by the rules created for democratic transition to call free presidential elections by December 1989.

March organizers, trying to avoid provoking government forces, repeatedly urged participants to remain calm and to do no damage to the surrounding homes. They asked marchers to carry only Chilean flags or those of the Command for the No, apparently in an attempt to prevent high visibility by the Communist Party and other extreme leftist groups that are not members of the command but normally take part in opposition events.

Genero Arriagada, executive secretary of the Command for the No, predicted that 2.5 million people would take part in opposition rallies that were to be held Sunday. That would be slightly more than a third of Chile's 7.4 million registered voters.

Many political figures spoke briefly throughout the afternoon on Saturday. Among them were daughters of the country's last two elected presidents, Carmen Frei and Isabel Allende.

During the rally, word came that the authorities had turned away at the airport a Spanish singer, Joan Manuel Serrat, who was a member of one of the foreign delegations that is to observe the plebiscite.

Mr. Serrat has written and performed songs about repression in Chile under General Pinochet.



Hortensia Bussi de Allende, the widow of the former Chilean president, at a weekend rally.

# Violence Feared in Haiti After a Colonel's Ouster

By Joseph B. Treaster  
New York Times Service

PORT-AU-PRINCE, Haiti — Haiti's most powerful unit commander, Colonel Jean-Claude Paul, has been dismissed, raising fears of new violence in the country.

An attempt to dismiss the colonel, 49, who is under indictment in the United States on drug-smuggling charges, failed in June and resulted in the fall of the civilian government of Leslie F. Manigat.

There was no immediate reaction from Colonel Paul, a 29-year army veteran who rose from a poor family to a position of power and wealth.

After his removal Friday night, his unit of 700 heavily armed soldiers was reportedly quiet in its quarters in a small military village in the heart of the capital, Port-au-Prince, separated from the presidential palace by a high wall. Lieutenant Colonel Guy François, the deputy commander of the unit, the Jean-Jacques Dessalines Battalion, was reportedly in charge.

The capital was calm, but tense and apprehensive. Scattered shooting was heard Friday night, but no casualties were reported.

Quoting military sources, Radio Métropole, an independent station in the capital, said that Colonel Paul and his men had accepted the dismissal order. The radio said the colonel left the barracks at about 3 A.M. Saturday.

An American diplomat said the United States had not been notified in advance of Colonel Paul's dismissal.

But the diplomat said, "We think it's an encouraging move, a good thing, because we obviously have our problems with Colonel Paul."

Haitian television announced the "retirement" of Colonel Paul at about 11 P.M. Friday in a statement signed by Lieutenant General Prosper Avril, who assumed the presidency of Haiti in a coup two weeks ago, and by General Avril's minister of interior and defense, Colonel Carl Dorsovillie.

In March, a federal grand jury in Miami indicted Colonel Paul on charges that he has conspired to import cocaine into the United States. The colonel has denied the charges, but he is believed to have profited handsomely from drug trafficking. He also owns a cattle and pig farm and is said to have other business interests.

One of several conditions for the restoration of U.S. aid is cooperation in fighting narcotics traffic. The dismissal of Colonel Paul seems to be a step in that direction. But U.S. officials say there must also be concrete improvements on human rights and progress toward democracy before the money starts flowing again.

General Avril reportedly had become concerned that Colonel Paul might turn on him.

The unit Colonel Paul headed is responsible for security in the capital. It has been directly or indirectly involved in the worst violence Haiti has suffered in the years of turmoil that have followed the collapse of the Duvalier dictatorship.

Witnesses say it was his troops who opened fire several times on street protesters during the summer of 1987, killing more than 30 people. It is unclear what role his soldiers may have played in the Election Day massacre last fall. But his soldiers did not provide protection then or during a massacre at a Roman Catholic church in Port-au-Prince last month.

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France** F.F.	05-436 436	1,500	1,230	830	455
Germany** D.M.	0130 25 31	980	403	320	176
Gr. Britain £	—	135	83	74	41
Greece** Dr.	691 02 42***	23,500	23,820	13,250	7,300
Ireland £	—	155	118	85	47
Italy** Lit.	—	360,000	295,200	200,000	110,000
Luxembourg L.Fr.	49 49 60	11,000	7,200	6,000	3,200
Netherlands** Fl.	06-022 08 15	600	472	340	185
Norway** N.Kr.	(02) 41 34 89**	2,000	1,276	1,100	600
Portugal** Esc.	(01) 80 71 23*	26,000	26,789	14,300	7,500
Spain** Ptas.	(91) 401 29 00*	31,000	21,780	17,000	9,400
Sweden** S.Kr.	(08) 21 01 90*	2,000	1,276	1,100	600
Switzerland S.Fr.	046 05 68 00	455	455	255	141
Rest of Europe, N. Africa, Form. Fr., Middle East \$	—	470	Varies by country	260	145
Rest of Afr., Gulf St. Asia \$	—	620	—	340	190
Central/Latin America \$	—	540	—	295	160

3-10-88

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Weekly International Bond Prices

Provided by Credit Suisse First Boston Securities, London, Tel.: 01 323 11 30 Prices may vary according to market conditions and other factors.

Dollar Straights

Table listing bond prices for various countries including Australia, Canada, and Japan.

France

Table listing bond prices for various French issuers.

Germany

Table listing bond prices for various German issuers.

Italy

Table listing bond prices for various Italian issuers.

Spain

Table listing bond prices for various Spanish issuers.

United Kingdom

Table listing bond prices for various UK issuers.

United States

Table listing bond prices for various US issuers.

Supranational

Table listing bond prices for various supranational issuers.

Mutual Funds

Figures as at close of trading Friday

Large table listing various mutual funds and their performance metrics.

Denmark

Table listing bond prices for various Danish issuers.

Sweden

Table listing bond prices for various Swedish issuers.

Norway

Table listing bond prices for various Norwegian issuers.

Finland

Table listing bond prices for various Finnish issuers.

Belgium

Table listing bond prices for various Belgian issuers.

Netherlands

Table listing bond prices for various Dutch issuers.

Portugal

Table listing bond prices for various Portuguese issuers.

Yen Straights

Table listing bond prices for various Japanese issuers.

Additional text at the bottom of the page, possibly related to the WestLB advertisement.

Large advertisement for WestLB (Westdeutsche Landesbank) featuring the slogan 'Fixed Income and Equities Trading - for dealing prices call:' and contact information for various international offices.









# NASDAQ National Market

OTC Consolidated trading for week ended Friday

Sales in 100s High Low Close Chg				Net High Low Close Chg				Sales in 100s High Low Close Chg				Net High Low Close Chg																			
ADJ	1.2	1.2	1.2	0	0	0	0	ADJ	1.2	1.2	1.2	0	0	0	0	ADJ	1.2	1.2	1.2	0	0	0	0	ADJ	1.2	1.2	1.2	0	0	0	0

## Wall Street Review

### NYSE Most Actives

Vol.	High	Low	Last	Chg.
IBM	120.00	119.00	119.00	+0.25
SPY	210.00	209.00	209.00	+0.50
DIS	40.00	39.50	39.50	+0.10
MSFT	35.00	34.50	34.50	+0.15
INTL	15.00	14.50	14.50	+0.05

### NYSE Sales

Total for week	Total for week
7,474,000,000	7,140,000,000
Year to date	Year to date
1,210,000,000	1,180,000,000
1988 to date	1988 to date
3,760,000,000	3,680,000,000
2,640,000,000	2,580,000,000

### NYSE Diaries

This Wk	Last Wk	This Wk	Last Wk
1124	907	Advanced	487
686	516	Declined	416
299	227	Unchanged	332
44	49	New Highs	104
48	49	New Lows	30

## American Exchange Options

Figures as of close of trading Friday, Sept. 30

Option & price	Colls	Puts	Option & price	Colls	Puts
IBM	120.00	119.00	IBM	120.00	119.00
SPY	210.00	209.00	SPY	210.00	209.00
DIS	40.00	39.50	DIS	40.00	39.50
MSFT	35.00	34.50	MSFT	35.00	34.50
INTL	15.00	14.50	INTL	15.00	14.50

## Chicago Exchange Options

Figures as of close of trading Friday, Sept. 30

Option & price	Colls	Puts	Option & price	Colls	Puts
IBM	120.00	119.00	IBM	120.00	119.00
SPY	210.00	209.00	SPY	210.00	209.00
DIS	40.00	39.50	DIS	40.00	39.50
MSFT	35.00	34.50	MSFT	35.00	34.50
INTL	15.00	14.50	INTL	15.00	14.50

## INTERNATIONAL CLASSIFIED

(Continued from Back Page)

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**WORLD STOCK**

**Amsterdam**

**Frankfurt**

**Hong Kong**

**London**

**Taiwan**

**MARKET**

(Continued from Page 11)

rather than the...  
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There are...  
And there are...  
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WORLD STOCKS IN REVIEW / Via Agence France-Press

Amsterdam

Stocks gained in modest trading during a week marked by demand from institutional investors. The ANP-CBS index finished at 274.9, up from 269.5 the previous Friday...

Frankfurt

Lack of a lively lead from Wall Street and the absence of news about interest rates led West German stock markets to take a breather last week.

Analysts said that after an 8 percent rise in stock prices since the start of the month, the pause appeared normal. All the same, the Commerzbank index managed a slight rise on the week, closing at 4,571.1 on Friday...

Chemical stocks were among popular issues on rumors that Bayer, Hoechst and BASF might pay dividends of at least 11 Deutsche marks each...

The market was helped by major companies' half-yearly reports, most of which showed higher earnings. Generali jumped by 4.9 percent on the week...

Interbanka rocketed by 30 percent before trading in that issue was suspended. There were rumors that Deutsche Bank, or the Swiss financial company, Sessa, might be acquiring part of Interbanka.

Prices moved up moderately last week. Bouygues SA shares started, rocketing Wednesday and Thursday and plummeting Friday.

There was speculation that one or more raiders were trying to get control of the world's largest construction group, and analysts said the issue fell back sharply on Friday...

The CAC price index finished at 380.2, up from 370.7.

London British stock indexes gained ground last week, boosted by British trade figures for August, which were released Tuesday.

The Financial Times industrial index ended at 1,476.5, up 29.7 points for the week, while the FT 100-share indicator closed at 1,826.5, up 34.1.

Taipei — The four investment trust companies that manage Taiwan stock funds for overseas investors said at the weekend that they had suspended payments on redemptions of units in their funds for domestic investors.

The move does not currently affect four funds that invest in Taiwan stocks on behalf of overseas investors and which are listed overseas.

The suspension comes amid panic sales of Taiwan stocks by local investors, sparked mainly by news the

After an initial fall, announcement of a lower-than-expected August current-account deficit of £1.3 billion came as a relief to the market.

Sun Life rose sharply at the beginning of the week on news that Transatlantic, a subsidiary of South African Liberty Life, had increased its stake in the British insurer to 28.42 percent.

Ultramar, the oil group, and Gasparay, the store chain, advanced on takeover rumors, while brewery Allied Lyons gained ground after the Australian businessman, Alan Bond, increased his stake in the company, before retreating at week's end on absence of any definite bid news.

The Milan market enjoyed a continued uptrend last week and the Comit Index finished at 552.71, up from 536.48 the previous Friday.

Volume rose to near the year's highs, as average daily transactions amounted to 200 billion lire, against 135 billion lire the previous week. About 50 million shares changed hands daily.

The market was helped by major companies' half-yearly reports, most of which showed higher earnings. Generali jumped by 4.9 percent on the week...

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The suspension comes amid panic sales of Taiwan stocks by local investors, sparked mainly by news the

Singapore

Share prices managed to hold steady on the Singapore stock market last week, following better performances overseas.

Dealers said the undertone remained cautious, despite buying interest being boosted by stronger finishes in Tokyo and on Wall Street.

The Straits Times industrial index suffered a steep fall at the start of the week, with a drop of 10.35 points Monday, but selective buying and bargain-hunting over the next few days brought a mild rebound.

The index finished the week 1.25 points higher at 1,034.96.

Turnover for the week was almost unchanged at 71.5 million units valued at 134.2 million Singapore dollars. The previous week's volume was 70.9 million units.

Tokyo Stock prices rebounded in active trading following the start Tuesday of the new business year for Japanese securities firms.

The closely monitored Nikkei Average climbed up a 310.01-yen gain for the week to close Saturday at 27,700.13 yen, following a 476.26-yen setback the previous week.

The Tokyo Stock Price Index of all common stocks listed on the market's major section gained 36.50 points to 2,135.62. The previous week saw the index decline by 51.15 points.

A bullish mood at the start of the new fiscal year on Tuesday carried over to Wednesday, when volume reached the Nikkei advanced 252.45 yen. The bullish sentiment was also helped by reports that Emperor Hirohito was still in stable condition after falling critically ill Sept. 19, analysts said.

Average daily turnover was 1.13 billion shares, against 793.6 million the previous week.

Analysts said this week's performance would depend in large part on the emperor's health.

Zurich Stocks had a quiet week, while managing a slight gain. The Credit Suisse index finished at 479.3 against 477.1 a week earlier, while the Swiss Bank Corp. indicator ended at 542.5 against 538.8.

Volume was lower, and buying orders from abroad, especially West Germany, were down.

NTT Meets Resistance In Market

Agence France-Press

TOKYO — Japanese securities companies met a cool reception Saturday as they started seeking buyers for 1.5 million shares in Nippon Telegraph & Telephone Corp., due to be sold later this month, sources at the companies said.

The sale of the shares, set for Oct. 20 and 21, would be the third public offering of government-owned NTT stock, as part of the gradual privatization of the giant utility.

The government deliberately set this tranche below the 1.95 million shares offered in each of the earlier issues, for fear of upsetting the market with a flood of new paper.

For the same reason, the last sale, in November, was accompanied by an injection of some 3 trillion yen into the banking system by the Bank of Japan, the central bank, to boost liquidity. That offset, almost yen-for-yen, the potential impact of the NTT offering.

Earlier offerings were sold out the day the securities companies started seeking buyers; this time there was far less interest, brokers said.

At the Saturday close of 2.14 million yen (315,900) per NTT share, unchanged from Friday, the latest offering has an indicated value of 3.21 trillion yen. As with the earlier disposals, the actual sale price will be set 3.5 percent below the closing price on Oct. 19.

"We did not receive any orders Saturday," said a broker at W.L. Carr Ltd., the London-based broker.

A spokesman for Daiwa Securities, the underwriter, said, "We have received many inquiries from individual customers" about prices and other details of the latest offering, but he would not say how many buy orders the company received.

"Many investors appear to be taking a wait-and-see attitude so far," another broker at a major securities firm said.

At this stage, "all we can do is to emphasize NTT's potential for further growth and the merit of holding its shares in the long term," he added.

The International Herald Tribune proposes to publish a SPECIAL REPORT on 10 November, 1988 on: MERGERS AND ACQUISITIONS. Provisional synopsis of contents: Overview, Europe, United States, Japan, West Germany, France, International Electricities.

MARKET: One Year After the Fall, Broad Changes but No Calamities

(Continued from Page 1)

rather than those who invest in companies based on their performance and prospects. Mr. Salomon divides today's market participants into three main camps.

There are those whose trading strategy is based on timing their purchases to capture dividends. There are the hedgers who invest in stock indexes and use futures and options to offset positions in the cash market.

And there are those who are buying stocks for a specific purpose: raiders or companies that are planning to buy another company, for example, or companies in the midst of stock-buyback programs.

Those three categories, he estimated, now account for more than 50 percent of the trading in the stock market.

The Securities Industry Association recently released figures showing that dividend-capture programs alone provided almost 13 percent of the volume on the New York Stock Exchange through August, up from about 3.3 percent for the same period last year.

Since the collapse, there has been a marked decrease in some forms of computerized trading, especially portfolio insurance, which turned out to provide no protection at all.

Even so, sophisticated investors continue to search for formulas that will provide them with guaranteed gains.

"Like the surfer who is always searching for the perfect wave, there's a continuing quest for the perfect hedge," said John J. Phelan Jr., chairman of the New York Stock Exchange.

Yet the huge volume of computer-generated trading on which most hedging strategies depend was one

of the factors that contributed to the plunge. The failure of portfolio insurance "doesn't mean they won't go back to something else that will be equally difficult for the market to handle," said Howard Stein, chairman of the Dreyfus Corp.

One troubling question is what would happen if many large investors become enamored of some new whiz-bang strategy that suddenly sends out a signal to sell. Who is going to be standing on the other side of the transaction, ready to buy?

"To have nothing except self-restraint to counteract this is not a desirable or tolerable state of affairs," said George L. Ball, chief executive of Prudential-Bache Securities Inc.

Retail firms like Prudential-Bache are particularly troubled by these trends because they make it increasingly difficult to market stocks to individuals. Mr. Ball and

a number of other Wall Street executives are frustrated that there has been little legislative or regulatory action that would inhibit the use of short-term strategies.

Steps taken so far have addressed only technical questions. Stock and futures exchanges have increased their levels of cooperation and coordination. And the exchanges have moved to improve the process of clearing trades; to ensure that individual investors are not pushed aside by a roaring tide of institutional stock orders; and to strengthen the capital structures of major market participants, such as specialist stock brokers.

Nevertheless, as Mr. Phelan concedes, the changes have been aimed at shoring up the overall system rather than protecting investors against wild swings in the market. That, he says, is deliberate.

"With growth and deregulation, you will get downdrafts like we had

in October," said Mr. Phelan. "Rather than write rules to make sure they don't happen again, we say, 'Let's make the system strong enough to take these shocks.'"

Mr. Phelan said he viewed the lack of legislation as a major victory for those who wanted to see a continuation of the worldwide move to deregulation. "Ten years ago," he said, "we would have passed 20 laws."

Those, like Mr. Ball, who would choose more aggressive tamping with the capital markets have found no political support in the hinterlands for their position.

Indeed, one of the great surprises of the market debacle has been how little the reverberations were felt outside of Wall Street.

The common wisdom among economists immediately after the collapse was that the 20-plus percent decline in stock prices, which wiped out about \$1.7 trillion in asset values on a global basis, would stifle spending by consumers and businesses.

But several factors seem to have intervened to undermine the theoretical connection between the stock market and the economy of the "wealth effect."

Perhaps the most important was the quick action by the Federal Reserve Board, which averted a liquidity crisis immediately after the plunge by flooding the financial system with money.

Those who issued gloomy forecasts immediately after the collapse also seemed to underestimate the boom in the American industrial homeland. The devaluation of the dollar by almost 60 percent since early 1985 made American products highly competitive in world markets.

Stocks Trading Dip Below Pre-Crash Levels...

Average daily trading volume on the New York Stock Exchange, in millions of shares.



Source: New York Stock Exchange

...But Index Futures Take A Deep Plunge

Average daily trading volume in the S.P. 500 Futures on the Chicago Mercantile Exchange, in thousands of contracts.



Source: Chicago Mercantile Exchange

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MONDAY SPORTS

Tigers End With 3-Game Sweep of Yankees

Compiled by Our Staff From Dispatches
DETROIT — Pat Sheridan tripped in the 11th inning and scored the winning run on Darrell Evans's...

SUNDAY BASEBALL

single as the Detroit Tigers beat the New York Yankees, 4-3, to complete a three-game sweep.
The Tigers finished the season 88-74, one game behind the first-place Boston Red Sox in the American League East.

Gwynn Nears Title as Worst of Best

The Associated Press
HOUSTON — Tony Gwynn has the National League batting title just about locked up.
Gwynn went 2-for-3 Saturday night to raise his league-leading batting average to .313 but suffered a hand injury in the San Diego Padres' 6-3 victory over the Houston Astros.

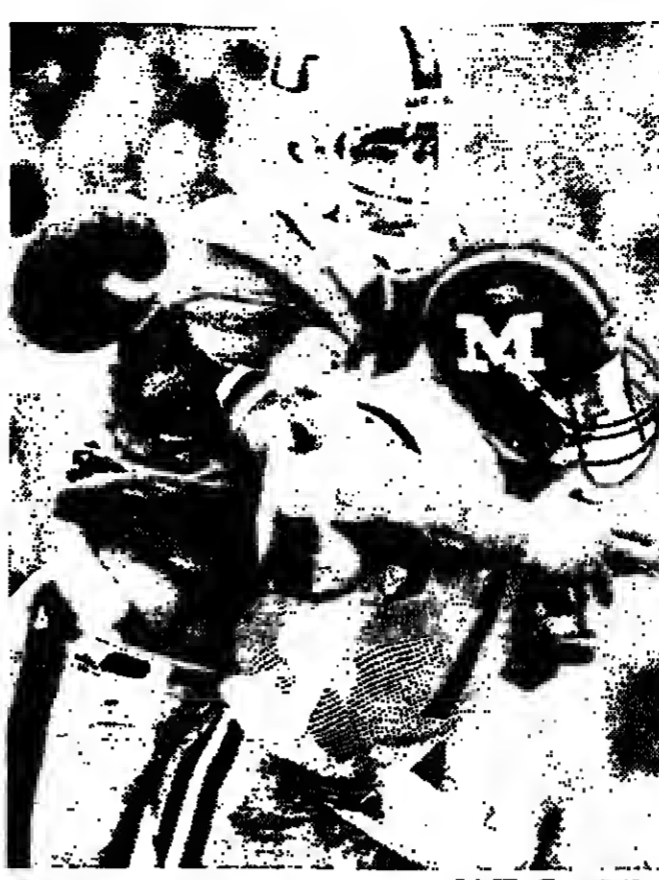
SATURDAY ROUNDUP

followed with his 24th homer in Pittsburgh's 9-0 sixth, giving each player 99 RBI.
Dodgers 2, Giants 1: In Los Angeles, Fernando Valenzuela pitched four strong innings in his first relief appearance in eight years. He gave up an unearned run on two hits and two walks. Valenzuela had made 22 consecutive starts before getting his second career save.

Twins 3, Angels 2: In Minneapolis, Greg Gagne hit a two-run homer and Jeff Reardon earned his 42d save as Minnesota handed California its club-record 12th straight defeat. The Twins finished at 91-71, six games more than last season, when they won the World Series.
White Sox 5, Royals 1: In Kansas City, Missouri, Dan Pascua hit his 20th home run and Shawn Hilligas allowed five hits in six innings as Chicago beat the Royals. Kansas City second baseman Frank White, seeking a record ninth Gold Glove, finished the season with just four errors in 150 games.
Blue Jays 9, Orioles 3: In Toronto, George Bell hit a two-run homer...

Sox Losers Yet Winners

The Associated Press
CLEVELAND — The Boston Red Sox couldn't celebrate clinching the American League East title in the locker room, so they chose a hotel bar instead.
The Red Sox missed a chance to clinch their second division championship in three years Friday night when they dropped a 4-2 decision to the Cleveland Indians. They still secured the title when New York lost to Detroit and Milwaukee fell to Oakland.
The Indians scored three runs off Roger Clemens in the first inning in beating the two-time Cy Young Award winner for the first time in 10 decisions.
But when word came that Oakland had won, Boston reliever Bob Stanley sprayed hotel bar patrons with champagne. "Now you know what it feels like," Stanley shouted. "It's great, isn't it?"
The Red Sox open the league title series at home Wednesday against Oakland. The A's hold a 3-3 advantage this year, but Boston's Larry Parrish trotted out an old standby: "Anything can happen in a seven-game series."



Miami's Bill Hawkins knocked the ball from Brad Fitzmaurice's hands, and it wasn't the only time Missouri looked hapless.

Tony Bin Wins the Arc

Compiled by Our Staff From Dispatches
PARIS — The Italian colt Tony Bin came behind in the home stretch Sunday to edge the favored Mto and win the \$1.3 million Prix de l'Arc de Triomphe, Europe's richest horse race.
"Tony Bin's a champion, a real champion," said the horse's jockey, John Reid of Northern Ireland. "I was delighted to ride him. It was a very tough, a very rough race."
Tony Bin, last year's runner-up in the Arc de Triomphe, went off at odds of 20-1. The Italian champion made his break with 1½ furlongs to go, then held off a late charge by Mto, the 6-4 favorite, ridden by Michael Roberts of South Africa.
Third, in a photo finish, was Boyatino, a French entry ridden by Maurice Philipperon. Willie Carson was fourth on Unifusion.
Tony Bin, considered the best Italian horse in the race since Ribot, a double winner of the Arc, earned \$780,000 for his owners.
The Aga Khan, sponsor of the Arc through a hotel chain he owns, failed to get any of his three horses...

UCLA Rally Stops Washington, 24-17

Compiled by Our Staff From Dispatches
SEATTLE — UCLA, ranked second in the nation, downed Washington on Saturday for its first victory at Seattle in 10 years, and Florida proved it can do more...

COLLEGE FOOTBALL

than beat up weak opponents by defeating Louisiana State in a day free of major upsets.
The Bruins' Reggie Moore caught a 43-yard touchdown pass from Troy Aikman with 1:28 remaining to lift UCLA to a 24-17 victory over Washington in the Pacific 10. The Bruins improved to 4-0; the Huskies fell to 3-1.
Aikman hit Moore, who was a stride ahead of defender Art Malone on the Washington 30-yard line, and the sophomore shook off Malone's desperate grab at the 15.
Florida 19, Louisiana State 6: In Gainesville, Fla., sophomore cornerback Richard Fain scored to lead the Gators past the Tigers in the Southeastern Conference.
Florida got its first 5-0 start since 1969 as sophomore Emmitt Smith turned in his eighth straight 100-yard game and John David Francis kicked four field goals. The Tigers fell to 2-2.
Alabama 31, Kentucky 27: In Lexington, Kentucky, backup quarterback Vince Sutton threw a touchdown pass to Gene Newberry on fourth-and-goal with 10 seconds left to cap a 24-point fourth quarter for the 3-0 Crimson Tide.
Miami 55, Missouri 6: In Miami, Steve Walsh threw four touchdowns passes to help the Hurricanes to their 36th consecutive regular-season victory and 16th overall.
Notre Dame 42, Stanford 14: In South Bend, Indiana, Tony Rice ran for two touchdowns and passed for another to spark the Fighting Irish to a fourth straight victory.
Florida State 48, Tulane 28: In New Orleans, Sammie Smith rushed for 212 yards and two touchdowns for the 4-1 Seminoles.
Georgia 36, Mississippi 12: In Athens, Georgia, Tim Worley scored two touchdowns, the first a 93-yard return of the opening kickoff, and threw a 27-yard scoring pass for the 4-1 Bulldogs.
South Carolina 35, Appalachian State 9: In Columbia, South Carolina, Dale Campbell returned an interception 37 yards for a score...

Prost Easily Wins In Spanish Prix

Agence France Presse
JEREZ DE LA FRONTERA, Spain — Alain Prost of France won the Spanish Grand Prix on Sunday to increase the pressure on his McLaren-Honda teammate Ayrton Senna for the championship.
Though the Brazilian was in the pole position, Prost immediately took the lead and held it to the end, finishing 26 seconds ahead of Nigel Mansell of Britain. Third was Alessandro Nannini of Italy.
Senna came in fourth after a late charge, edging out Riccardo Patrese of Italy, who had been fined \$10,000 on Saturday for a dangerous maneuver in practice.
Prost now has 94 points in the drivers' table, ahead of Senna at 79. But Senna has seven Grand Prix victories to Prost's six, and scoring rules give him the upper hand with two races remaining.

ACROSS crossword puzzle grid with clues and answers.

WEATHER table showing high and low temperatures for Europe, Asia, North America, and Africa.

DENNIS THE MENACE comic strip showing Dennis at a desk with his dog.

JUMBLE word puzzle with grid and words to find.

- ACROSS
1 Denzel
2 Moral precept
3 Cob or pen
4 Give — on the back
5 Hush breaker
6 Bok boy's kin
7 Owns up
8 On the Red
9 Butterfunk
10 1946 tune
11 water (prove true)
12 Restraint
13 TV leat-jarkers
14 Actress Anouk
15 Pindar product
16 Deeply absorbed
17 Kind of accounting
18 Copy a peacock
19 Earthy offering
20 Reserved
21 E.T.O., V.I.P.
22 Drench
23 N.B.A. whistler
24 Lotus-eater
25 Like some misses
26 Cast off
27 Edit
28 Explorer De
29 Moalem mogul
30 Miffed
31 Gaelic
32 Judge
33 Comic Reiner
34 Olive genus
35 Butters up
36 Stacked
37 Pick up a grounder
38 Barnyard sound
39 Severe
40 Admiral Bull
41 Plastered
42 Camera
43 Setting
44 Commence
45 Loosen knots
46 Fiddlesticks!
47 Seeded
48 Bruce Catton's Muse
49 Takes a swerving course
50 Celestial Altar
51 Kind of relief

PEANUTS comic strip with characters and dialogue.

BLONDIE comic strip with Blondie and Dag.

WIZARD OF ID comic strip with a wizard character.

ANDY CAPP comic strip with Andy Capp.

Down crossword puzzle grid with clues and answers.

BEETLE BAILEY comic strip with Beetle Bailey.

REX MORGAN comic strip with Rex Morgan.

GARFIELD comic strip with Garfield.

WIZARD OF ID comic strip with a wizard character.

Herald Tribune
Reaching More Than a Third of a Million Readers in 164 Countries Around the World.

MONDAY SPORTS

Giants Survive Surge by Redskins, 24-23

Compiled by Our Staff From Dispatches WASHINGTON — Odessa Turner caught eight passes for 103 yards and a touchdown Sunday and the New York Giants held off...

NFL ROUNDUP

Plate rally by the Washington Redskins for a 24-23 victory in the National Football League. The Giants, who beat the Redskins in the season opener, entered the game ranked 27th in defense after surrendering 45 points last week to the Los Angeles Rams.

sidelined following an emergency appendectomy. Rypien, whose 303-yard passing performance last week against Phoenix was the best debut in club history, completed 16 of 27 on Sunday for 282 yards and two touchdowns, with one interception.

Stuffers caught seven passes for 141 yards. Stuffers completed 17 of 31 passes for 233 yards and one touchdown with one interception. The Giants, who beat the Redskins in the season opener, entered the game ranked 27th in defense after surrendering 45 points last week to the Los Angeles Rams.

The Redskins, 2-3, missed a chance to take the lead when rookie kicker Chip Lobmiller was wide left on a 36-yard field goal attempt with 2:54 left, and New York held the ball the rest of the way. Washington, the defending Super Bowl champion, has lost both games since Rypien replaced quarterback Doug Williams, who is

The Bills, who lost 24 yards on an attempted sweep, were held to a net of zero yards rushing; they attempted only two runs in the second half.

Browns 23, Steelers 9: In Pittsburgh, Cleveland turned three of the Steelers' five second-half turnovers into scores, including rookie Brian Washington's 75-yard touchdown run with an interception.

Pittsburgh, 1-4, which committed 11 turnovers in losing its previous two games to Cincinnati and Buffalo, turned the ball over three times in a four-play span in the third period, giving the 3-2 Browns the lead for keeps. Seahawks 31, Falcons 20: In Atlanta, rookie Kelly Stouffer engineered four touchdowns and drives in his first NFL start, and fullback John L. Williams, playing with a cracked rib, scored three touchdowns on short runs as Seattle downed the 1-4 Falcons.

passes for 164 yards and Warner gained 110 yards on 22 carries. Stouffer also connected on passes of 31 and 19 yards during a 76-yard drive in the second quarter that Williams capped with the first of his three 1-yard runs. The 31-yard pass went to Steve Largent, extending to 157 games the wide receiver's NFL record of catching at least one pass.

Bucs 27, Packers 24: In Tampa, Florida, Donald Igwebiwe kicked a 44-yard field goal with 12 seconds left and Vinny Testaverde overcame four interceptions with 300 yards passing to boost the Buccaneers past Green Bay. The Packers, who led 24-17 with less than two minutes to play, dropped to 0-5, the only winless team in the NFL.

The Bucs scored the tying touchdown with 1:52 left on a 19-yard pass from Testaverde to Bruce Hill. The score capped an eight-play, 72-yard drive that began with a 22-yard pass on third down and 18 from Testaverde to Mark Carrier. Three weeks ago, Igwebiwe had kicked a 28-yard field goal with three seconds left as the Bucs beat Green Bay, 13-10. (UPI/AP)

SCOREBOARD

BASEBALL

Friday's and Saturday's Major League Line Scores

Table with columns for team names and scores for Friday's and Saturday's games.

FOOTBALL

Collegiate Results

Table with columns for college names and scores for various football games.

TRANSITION

Table listing various sports events and transitions.

BASEBALL

Table with columns for baseball team names and scores.

SOCCER

Table with columns for soccer team names and scores.

AUTO RACING

Table with columns for auto racing events and results.

GOLF

Table with columns for golf player names and scores.

OLYMPIC RESULTS

MEDALS

Table showing medal counts for various countries at the Olympics.

WRESTLING

Table showing wrestling results for various weight classes.

WATER POLO

Table showing water polo results for various teams.

ARCHERY

Table showing archery results for various events.

EQUESTRIAN EVENTS

Table showing equestrian event results for various disciplines.

BOXING

Table showing boxing results for various weight classes.

SOCCER

Table showing soccer results for various international matches.

TENNIS

Table showing tennis results for various tournaments.

SYNCHRONIZED SWIMMING

Table showing synchronized swimming results for various teams.

VOLLEYBALL

Table showing volleyball results for various international matches.

JUDO

Table showing judo results for various weight classes.

HANDBALL

Table showing handball results for various international matches.

FIELD HOCKEY

Table showing field hockey results for various international matches.

TABLE TENNIS

Table showing table tennis results for various international matches.

TRACK AND FIELD

Table showing track and field results for various events.

Major League Standings

Table showing the current standings for various Major League teams.

NATIONAL LEAGUE

Table showing the current standings for National League teams.

TRANSITION

Table listing various sports events and transitions.

BASEBALL

Table with columns for baseball team names and scores.

SOCCER

Table with columns for soccer team names and scores.

AUTO RACING

Table with columns for auto racing events and results.

BASEBALL

Table with columns for baseball team names and scores.

SOCCER

Table with columns for soccer team names and scores.

AUTO RACING

Table with columns for auto racing events and results.

GOLF

Table with columns for golf player names and scores.

SOCCER

Table with columns for soccer team names and scores.

AUTO RACING

Table with columns for auto racing events and results.

GOLF

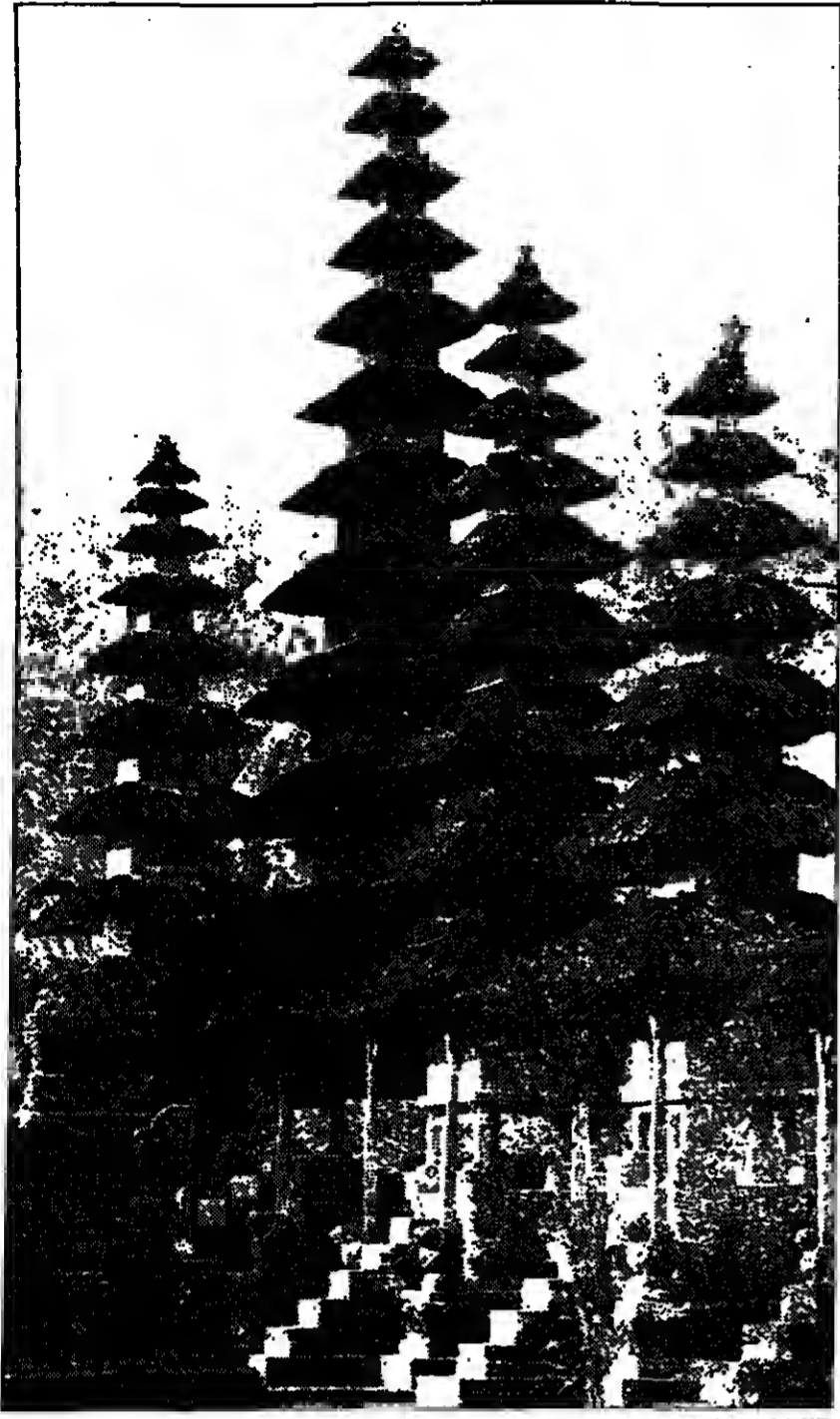
Table with columns for golf player names and scores.

SOCCER

Table with columns for soccer team names and scores.

Large advertisement for Air France featuring the slogan 'The Inflight Newspaper is available on all Air France flights.' and an image of a Longines watch.

# • INDONESIA •



Religion takes many forms in this multicultural country. The traditional design of the temples at Mengwi reflects the Hindu concept of cosmic order. The number of floors symbolizes the divinity: seven for Vishnu, nine for Brahma and eleven for Siva.

## Attractive Incentives for Foreign Investors

"The secret of Indonesia?" proposes agricultural economist Bob Campbell, who has been traveling here for over 20 years. "Outside of a few very old people, everyone speaks the same language, Indonesian. Considering that there are literally thousands of languages here, that really is a miracle."

When President Suharto assumed power in 1965, Indonesia had made its mark on the international stage, but internally the country was suffering from a disarray not even the Dutch colonialists could have imagined.

For a decade, Indonesia turned inward. During this so-called "New Order," primary schools were set up within walking distance of virtually

### Pluralism is second nature to Indonesia

every village in the territory. The quality was uneven, but Bahasa Indonesian was taught — and wisely, no effort was made to bar the indigenous spoken languages.

About 1983, when oil prices plummeted, Indonesia came out of its relative isolation and set about slowly and cautiously changing the structure of its economy.

"Slowly but inevitably," says Peter Duncan of Business Advisory Services, "there is deregulation in economic policies. I don't see much privatization in the future, as this would infringe on the power of some very conservative people. But the government must move into real deregulation in investment, simply to assure its leadership quality."

On paper, Indonesia's oil wealth — which financed 86 percent of the country in 1982 — has been drastically reduced since oil prices fell to \$10 a barrel. Its foreign debts have risen to \$50 billion. And there has been little encouragement for foreign investment.

But the Investment Coordinating Board points to five basic incentives: a politically stable environ-

In 43 years of independence, Indonesia has had its ups and downs, but the "worst case" scenario of Javanese overlordship in the islands has not come to pass. Indonesia is not quite a melting pot, but for the first time, the 8,000 inhabited islands have a population with a sense of national identity.

ment, comparatively high returns, free foreign exchange, a large, cheap labor force, a large, diversified market and abundant natural resources.

Last year, as investors began to realize the potential of these incentives, there was a spurt in foreign investment. The Japanese were first with over \$5 billion, followed by Hong Kong and the United States with just over \$1 billion, followed by Western Europe. Altogether, foreign investment commitments reached their highest level since deregulation laws went into effect at the end of the year.

The latest package included 58 separate decrees, simplifying licensing procedures, eliminating many tariff barriers, easing restrictions on hiring of expatriate personnel, reducing the number of sole import agents, facilitating investments in the tourism industry and revitalizing the stock market.

Increased deregulation in banking is due at the end of October. With nontaxable banking interest rates of 18-23 percent, few Indonesians feel it necessary to invest in businesses. This may soon change, though the changes are being kept under wraps for the moment.

The World Bank has been prominent in trying to keep Indonesia afloat. Four elements have been identified for the economy: prudent fiscal policies and budget austerity; exchange rate management; domestic resource utilization; and policy reforms.

The results have been encouraging. The International Monetary Fund praised Indonesia for its 4.3 percent GDP growth (modest, but far better than in previous years), its export earnings, reaching \$17.8 bil-

lion, and the momentum of its economy. The foreign debt problem is being handled in a typically Indonesian manner. Unlike the Philippines or Brazil, Indonesia refuses to negotiate the rescheduling of its debt. It is paying on time, although this takes a large chunk of the budget. This enables the country to borrow more from the World Bank and the International Monetary Fund for its large projects.

Perhaps Indonesia's biggest incentive is its enormous labor force. Statistics are not exact, but 30-40 percent of Jakarta's population of over 8 million is either unemployed or working unofficially. Indonesians are willing to work harder and cheaper than any of their neighbors in Southeast Asia.

Businessmen must balance the efficiency of other countries with the labor-intensive savings of Indonesia, but more and more are taking Indonesia into serious account.

The biggest problem, according to Mr. Duncan, is in the inflexibility of the budget. Civil servants have had no raises in three years, making a certain amount of "gray market" dealing inevitable. The next difficulty is the established economic rulers, who simply will not give up their power.

"Politically," says Mr. Duncan, "this country is stable, reasonably contented and has virtually no radical movement."

Choosing an investment can be problematic. The modest per capita income figure of \$500 is unrealistic, since much of the economy is out of the money sector altogether. But investors are coming in across the board, according to Mr. Duncan. Assembly plants, textiles and natu-

ral resource-based manufacturing are slowly but surely filling in the oil gap.

One economist says that Indonesia's progress has to be measured not in terms of its four decades of independence, but by the two decades since President Suharto assumed power.

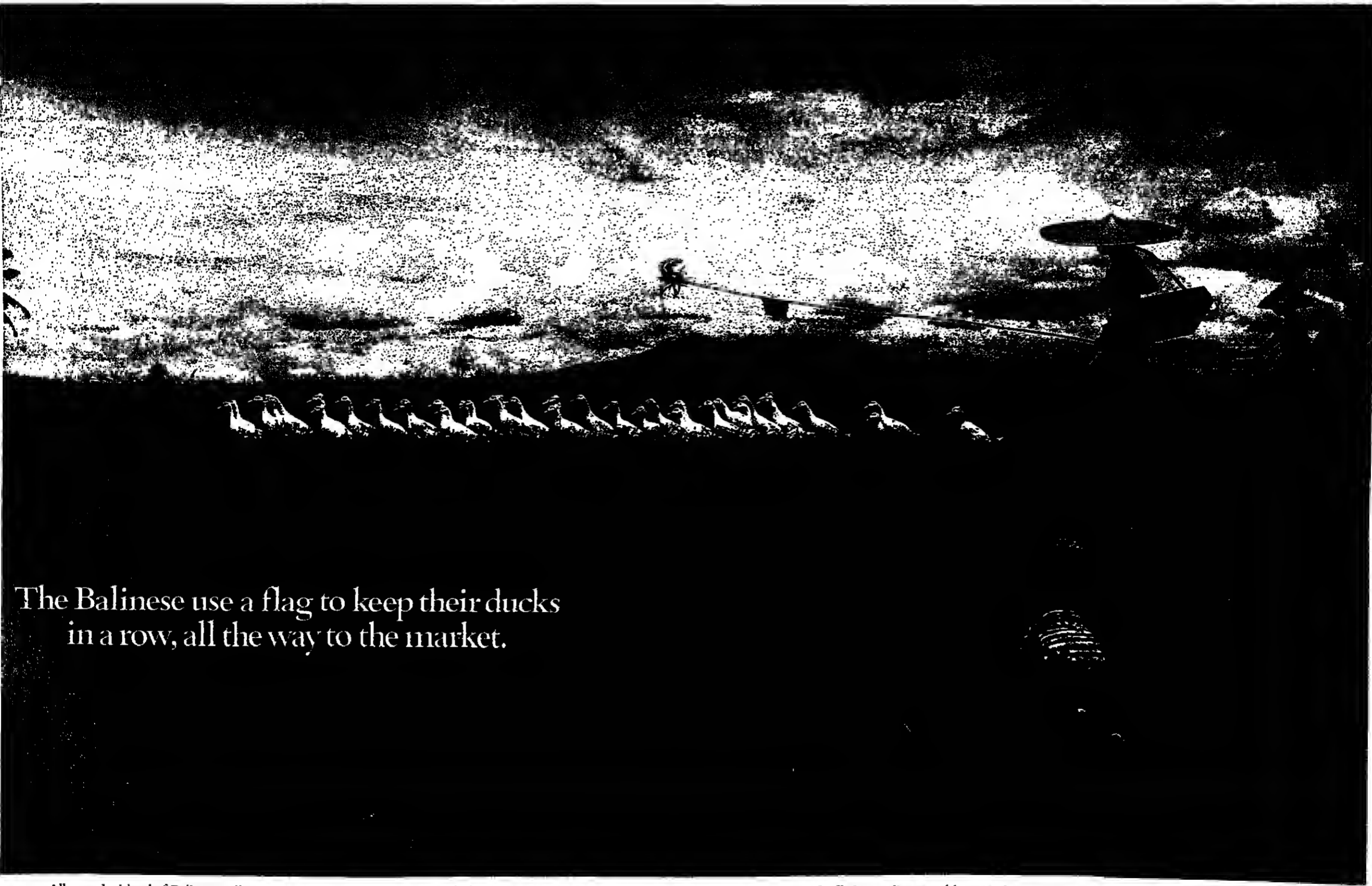
For the first time, the manufacturing sector has become a significant contributor to exports: 21 percent. Exports themselves are varied. The diversification, according to Business Advisory Indonesia, includes oil and gas (49 percent), industrial goods (40 percent) and agricultural products (9 percent), the major market being Japan at 43 percent and the United States, which accounts for 20 percent of exports.

Where will Indonesia go from here? Everywhere one hears the word *adat* in Indonesia, a word that can mean customary law or natural law, or just the way of doing things. *Adat* in Java means a conservative, unhurried but fairly sure methodology, which will not make waves but produce a lasting effect.

The result is an Indonesia that quietly goes its own way, ignoring economic radicals on all sides. Some say that the country should plunge into major manufacturing instead of resource-based building and assembly. Others say that Indonesia should rid itself of its massive foreign debt by rescheduling loans.

But through experience, patience and, inevitably, red tape (which has yet to be significantly cut), Indonesia moves ahead. Mr. Sedyana Pradjasantosa, operations director of P.T. Multi Bintang, which brews four different beers, says that in Indonesia, "Marketing isn't a science. It's an art which has to take into account religion, economy, prejudices, the ever-burgeoning informal sector. Everything from the president's budget speech to the fasting month of Ramadan."

Pluralism is second nature to Indonesia, and it is this diversity that lends it many hidden strengths.



The Balinese use a flag to keep their ducks in a row, all the way to the market.

All over the island of Bali you will see neat rows of ducks following flags on a bamboo pole. This is how the duck shepherd guides his flock to feed at the nearby rice fields. And at dusk the ducks huddle around the flag

waiting for the duck shepherd to guide them back. So, when it comes time to sell the flock, they happily follow the flag all the way to the markets. Bali, nesting on the edge of the warm Indian Ocean, is rich with such ancient village traditions.

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concern for you that belongs in another world. For more information about our flights and holiday packages, call Garuda Indonesia or your local travel agent.

**Garuda Indonesia**

ADVERTISING SECTION

**Garuda Airlines**

Canada has become a major tourist market.

For the first time in the history of Garuda Indonesia, the airline has made up for the losses it incurred in 1987. This is due to the strong performance of Garuda Indonesia in the second quarter of 1988, when the airline's operating profit rose to 15 percent of sales.

The airline's success is due to an increase in passenger traffic, a rise in cargo and mail revenue, and a decrease in operating costs. Garuda Indonesia's fleet of Airbus A300-600 aircraft is now operating on domestic routes.

The airline's kind of service is a national pride. Garuda Indonesia has 747 and Airbus A300 aircraft. Garuda Indonesia's fleet of Airbus A300-600 aircraft is now operating on domestic routes.

"But Garuda Indonesia is not just a company," says Mr. Sedyana Pradjasantosa, Garuda Indonesia's operations director. "We need more people to make Garuda Indonesia a success."

**INDONESIA**

**Family Two**

The Jakarta family proud of his way to village and his wife co two children.

"Remember," said the president's secretary. "Not everybody is literally. But the population is working hard, people — six square kilometers." Yet both countries engine behind the dining. Board discount card. The scholarships, said the president. In the country family.

The results were only 24 percent of the previous device, so when family phase was placed. "Now our people need and prosperous two is the objective participants in says Dr. Harry sociologist.

Each area in Sumatra, a special prohibitive body. "We would not a religious leader for the program. Indonesia off and awards to comes down to Irian Jaya. "The translation."



## Garuda Shows a Profit as Airline Business Soars

Garuda Indonesia faces two challenges: how to become integrated with Indonesia's big push for tourism, and how to enhance its own reputation.

For the first time ever, Garuda will be making a profit. Executives are reluctant to give exact figures (and the last annual report was for 1985), but reputable sources say the airline may make up to \$30 million this year. After losses of \$117.5 million in 1985, this is a significant turnaround for the company.

Garuda has a few aces up its sleeve. First, its hotel chain has been in the black ever since its start.

Second, cargo-carrying facilities have been greatly expanded. In 1987, international shipments from Indonesia rose to 19,148 tons, an increase of more than 70 percent from the previous year.

"Over the past four years," says Mochamad Soeparno, president of the state-owned airline, "cargo reve-

Right now, Garuda is looking to change its image, and it is starting with the staff.

"Our staff until now has been working with the 747s as if they were our first planes," says Mr. Sunarjo. "But our present fleet is hardly made up of Dakotas and Electras. So we have to change our way of working and our image."

Mr. Sunarjo is proud of the opulent new offices behind the Freedom Monument in Jakarta, as well as the increase in flights. Weekly flights to America will rise from three to four. There will also be a number of new flights to Japan, Australia and New Zealand.

All the routes are making money, it is claimed. More Business Class seats have been added, and it is hoped that Garuda will be able to coordinate further with Merpati, its subsidiary airline.

While Garuda goes to more established destinations in Indonesia, Merpati takes its Fokkers to "pioneer" stations. The planes are usable enough, but reserving flights is not as easy as it should be, particularly from outside Indonesia.

"Not this year, perhaps not even next year, but soon," says Mr. Sunarjo, "we will be totally integrated. At present, our job is to take care of inventory and see about management problems."

When Garuda started out as a fully owned KLM airline, it was a "product-oriented airline," according to Mr. Sunarjo. "Today, though, we are consumer-oriented, and we are now going through a complete overhaul to make certain that our staff understands this."

Progress is slow: economy flight DC-10s going from Bali to Europe stop half a dozen times. Garuda also suffers from overbooking (a two-edged sword, since it shows the airline's "success," although some passengers may be bumped), and from incidents earlier this year, when the hajj trips to Mecca made regular commercial flights simply unavailable.

"But," says Mr. Sunarjo, "you must give us time. Next year we celebrate our 40th anniversary, and we hope to give far better service. Within three years, Garuda will be among the best in Asia."

### International cargo trade rose by 70% last year

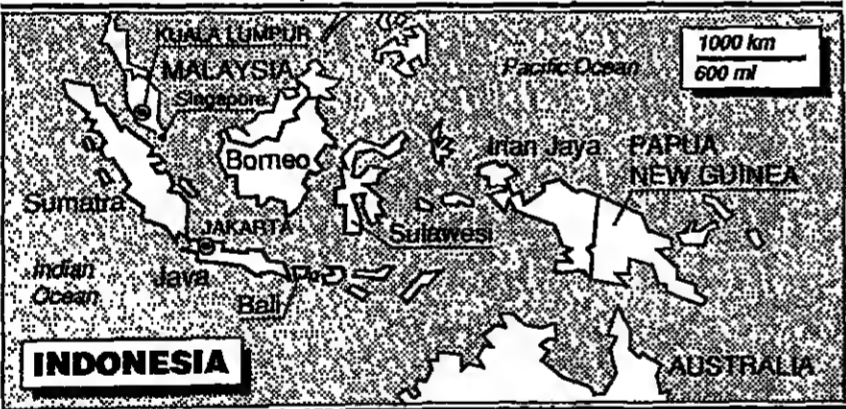
Revenue has risen from less than 5 percent of total revenues to more than 15 percent for the first six months of 1988.

The cargo surge is, however, straining the capacity of the airlines. An average of 80 percent of cargo space is occupied — everything from garments and ceramics to handicrafts, fish, livestock and fresh vegetables.

The trick is how to work out the leasing and purchase of aircraft for both cargo and passenger loads. This year, for instance, passenger loads for the first six months are up 31 percent on international routes (670,000 to 800,000), and 21 percent on domestic routes, to 2.4 million.

The airline can hardly handle this kind of traffic. At present, the international fleet consists of six Boeing 747s and six DC-10s, each able to transport cargoes of five tons. Nine Airbus 300s can handle 1.5 tons each. Altogether they serve 29 cities in Africa, Asia, Australia, Europe and the United States.

"Over the next 10 years," says Garuda commercial director Sunarjo, "we will be spending \$1 billion. We need more wide-bodied jets and more planes. But we don't want to make any hasty decisions."



# INDONESIA



Amid the thickets of a bamboo forest in Java.

## Ideal Conditions for Resort Development

Imagine this for a hotelier's paradise: limitless land spread over thousands of islands, all with cottages or buildings, most with running water, some with electricity — and all of it free for the asking.

Such is almost the paradise of B.T. Tobing, director of Patra Jasa, a subsidiary of Pertamina, the state oil company. Patra Jasa is active in office-space rentals, apartment leasing, housing, car rentals and catering for offshore oil companies. But its main activity is in hotels.

Today Patra Jasa has eight hotels, spread from Sumatra to Bali. All of them are on land that was used for guest houses for Pertamina executives and their guests during the heady days of the oil boom.

"But," says Mr. Tobing, "when oil prices went down, the land went begging. The Bali property was turned into Pertamina Cottages, where heads of state usually stayed. Then we took over the property at Lak Toba, in Sumatra. This is the largest and highest inland lake in the world, and we have the hotel right on the hills. After that came a resort near Jakarta, a hotel in Jakarta, then in Bandung, Cirebon, Semarang and Surabaya."

## Creating a Tourist Mecca On 13,000 Islands

To walk down Jalan Surabaya, in Jakarta's Menteng District, is to see that Indonesia has as much to offer tourists as any country in Asia.

Jalan Surabaya is a combination flea market/thieves' market/handicraft market. But essentially it is an ethnic handicraft museum. The burood-odd outdoor stall-keepers offer West Irian shields, Kalimantan masks, Javanese puppets, Balinese weather vanes (which play gamelan music when the wind is right), Sumatran statues, Sumbawa pornography and Ambonese paintings — all this along with old Dutch maritime instruments, Norwegian compasses and a remarkable collection of tubas, sousaphones and 78 rpm records dating back to Caruso.

Not that Jalan Surabaya is the only reason to go to Indonesia. With 8,000 inhabited islands (out of 13,000), each with perhaps three or four different ethnic/tribal/linguis-

government-run hotel will be privatized), and the Borobodor, with its huge gardens, is always full.

Bali, too, has its share of new hotels. The new Hyatt at Nusa Dua has plans for a 750-room hotel with a "village" atmosphere, rice terraces, river pools and tennis courts. The present total of 6,000-odd rooms, plus the new hotels that will accompany the forthcoming Convention Center, should be enough to accommodate the half-million tourists per year.

But what about those 7,998 other islands? This is where a combination of infrastructure, promotion, hotel construction and — most important — information is necessary.

Today, Joop Ave envisages hotels in Sumatra, Central Java and West Irian. The Pertamina hotel group and Garuda hotel group agree with these plans, but realize that Bali is a surer money-maker.

Private tour promoters are not exactly booming. Last year, for the first time, three foreign joint ventures were given permission to operate. Two of them are still not open for business, but Colors of Asia, managed by Dutch-born Peter Bost, is one example of imaginative planning.

Up to now, Colors of Asia was planned to maximize revenue. Concentrating mainly on Java and Bali, it organized incentive travel, conferences and customized blue-ribbon travel programs to remote places in Sumatra and Java.

"But," says Mr. Bost, "there is so much to see here that it is impossible for one organization to do it all. Just imagine what Indonesia has to offer: golf courses, snow-capped mountains, volcanoes, trekking in virgin jungle, rafting down rivers, visits to tribal people who have never seen foreigners. This along with sailing to private resorts on islands with hardly a name, seminars, workshops, everything."

While Mr. Ave would approve of this creative approach, the management of 13,000 separate islands is impossible. So Mr. Bost has come up with a corporate idea. Six others agents in different parts of Indonesia — from Bali to Sumatra to the Flores — have submitted their programs to Colors of Asia, which will print a booklet later this year.

There are still stumbling blocks. Airline connections are sometimes unreliable, hotel accommodations questionable, and road conditions poor outside the main islands.

Yet Joop Ave has no doubts about tourism's future. He has helped to commission a series of books about Indonesia, travels as a one-man show overseas to boost the country, and is only waiting for the gold mine to materialize.

### On average, visitors stay in Indonesia for 12 days

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Mr. Ave considers the infrastructure to be ready for tremendous expansion. Participation of the private sector is an absolute necessity.

The question, then, is whether to seek to increase the number of tourist days spent in Indonesia — today it's a healthy 12 days on average — or to increase the number of places visited.

Certainly there are adequate hotels in Bali and Jakarta. The latter has more than enough five-star hotels: the Mandarin, the Oriental, the Hilton, a forthcoming Grand Hyatt Hotel and a \$20 million extension to the present Hyatt Hotel. The Hotel Indonesia has been renovated (with persistent rumors that the

This Advertising Section was written by Harry Rubinick

## Family Planning: Two Children Only

The Jakarta taxi-driver was particularly proud of his family. He had made his way to the city from a Sumatran village and could speak basic English, his wife could read and write, and his two children would soon go to school.

"Remember," he said, "only two children. That's what the president said. And that's what we do."

Not everybody takes President Suharto's dictum so literally. But in Indonesia, which is in some need of population control, the recommendation seems to be working. Java, for instance, is home to 106 million people — six and a half times the population of Australia. The population density — more than 800 per square kilometer — is among the highest in the world.

Yet birth control has become widely accepted. The engine behind it is the National Family Planning Coordinating Board (BKKBN). Their main gimmick is the discount card. There are also trips to Mecca for the hajj, scholarships, silver- and gold-plated pins or visits with the president. And condoms are available everywhere in the country. All of these are incentives to limit one's family.

The results are evident. Population growth in 1987 was only 2.1 percent. Furthermore, more than two-thirds of the population uses some kind of contraceptive device, so the figure may go down even further.

When family planning started around 1965, the emphasis was placed on the contraceptive device. "Now our purpose isn't the device but the awareness, the need and desirability of making small, happy and prosperous two-child families. Underlying the program is the objective of making the family planning acceptors participants in the program, not passive beneficiaries," says Dr. Haryono, a University of Chicago-trained sociologist.

Each area has its own programs. In heavily Moslem Sumatra, a special approach was used. Islam does not prohibit birth control, but it is against any cutting of the body. "We compromised," says Dr. Haryono. "We said we would not actively promote surgical sterilization, if religious leaders would assist in providing legitimacy for the program."

Indonesia offers a panoply of information, incentives and awards to encourage population control. But it all comes down to the slogan seen from north Sumatra to Irian Jaya: "Dua Anak Cukup." In the taxi-driver's translation: "Two children are enough."

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